HOUSE BILL No. 1485

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-28-26-1; IC 6-1.1-39-5; IC 8-22-3.5; IC 36-7.

Synopsis: Tax increment financing. Provides that for purposes of the various tax increment financing (TIF) statutes, property taxes are not part of the tax increment captured by a particular TIF district if those property taxes are attributable to assessed valuation that: (1) was the subject of a tax abatement deduction on the effective date of the TIF allocation provision; and (2) is no longer the subject of the tax abatement deduction. Provides that a redevelopment commission must find that designating an area as a redevelopment area is in the best interest of the taxing units containing the area needing redevelopment and the taxing units containing territory within three miles of the area needing redevelopment, considered as a whole. Provides that after submitting a resolution and supporting data to the plan commission for approval, the redevelopment commission must also file a copy of the resolution and supporting data with certain taxing units. Provides that if: (1) the plan commission and the municipal legislative body or county executive approve a resolution of the redevelopment commission; and (2) the redevelopment commission takes final action approving the resolution; the redevelopment commission must file notice of the final action with the legislative bodies of certain taxing units. Requires each legislative body receiving the notice of the final action to: (1) adopt a resolution that either approves or objects to the final action of the redevelopment commission; and (2) file the resolution with the appropriate municipal legislative body or county executive. Provides that in addition to any objections that are filed by taxing units, the final action of a redevelopment commission may be appealed by the filing with the appropriate municipal legislative body (Continued next page)

Effective: July 1, 2007.

Noe

January 23, 2007, read first time and referred to Committee on Ways and Means.



or county executive of a written remonstrance signed by: (1) at least 65% of the owners of the land in the redevelopment project area and any territory within three miles of the redevelopment project area; or (2) the owners of more than 75% of the assessed valuation of the land in the redevelopment project area and any territory within three miles of the redevelopment project area. Provides that if an objection is filed by a taxing unit or a remonstrance is filed, the municipal legislative body or county executive receiving the objection or remonstrance must hold a public hearing concerning the final action of the redevelopment commission. Specifies that the municipal legislative body or county executive may approve the final action of the redevelopment commission only if that final action is of public utility and benefit and in the best interest of the taxing units, considered as a whole. Provides that if an objection or remonstrance is filed with the municipal legislative body or county executive, the final action of the redevelopment commission may take effect only if the final action is approved by the municipal legislative body or county executive. Provides that if the final action of a redevelopment commission is appealed to a court, the burden of proof is on the redevelopment commission (rather than the remonstrator). Provides that a redevelopment commission may not designate an economic development area that is more than 100 acres unless the plan approved by the redevelopment commission for the economic development area includes a commitment or plan for the provision of water, sewage, and other utility services to the economic development area within three years.







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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

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HOUSE BILL No. 1485

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A BILL FOR AN ACT to amend the Indiana Code concerning local government.



Be it enacted by the General Assembly of the State of Indiana:

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1	SECTION 1. IC 5-28-26-1, AS ADDED BY P.L.203-2005,
2	SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3	JULY 1, 2007]: Sec. 1. As used in this chapter, "base assessed value"
4	means:

- (1) the net assessed value of all the taxable property located in a global commerce center as finally determined for the assessment date immediately preceding the effective date of the allocation provision of a resolution adopted under section 18 of this chapter; plus
- (2) to the extent it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision; **plus**
- (3) in the case of an allocation provision adopted after June



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2 1 30, 2007, to the extent it is not included in subdivision (1) or 2 (2), any net assessed value of taxable property located in the 3 allocation area: 4 (A) that was not included in subdivision (1) because a 5 deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed for the assessed value on the assessment date immediately 6 preceding the effective date of the allocation provision; and 7 8 (B) for which a deduction under IC 6-1.1-12.1 or 9 IC 6-1.1-12.4 was not allowed for the assessed value on the 10 most recent assessment date. SECTION 2. IC 6-1.1-39-5, AS AMENDED BY P.L.154-2006, 11 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 12 13 JULY 1, 2007]: Sec. 5. (a) A declaratory ordinance adopted under 14 section 2 of this chapter and confirmed under section 3 of this chapter 15 must include a provision with respect to the allocation and distribution 16 of property taxes for the purposes and in the manner provided in this 17 section. The allocation provision must apply to the entire economic 18 development district. The allocation provisions must require that any 19 property taxes subsequently levied by or for the benefit of any public 20 body entitled to a distribution of property taxes on taxable property in 21 the economic development district be allocated and distributed as 22 follows: 23 (1) Except as otherwise provided in this section, the proceeds of 24 the taxes attributable to the lesser of: 25 (A) the assessed value of the property for the assessment date

- with respect to which the allocation and distribution is made;
- (B) the base assessed value:
- shall be allocated to and, when collected, paid into the funds of the respective taxing units. However, if the effective date of the allocation provision of a declaratory ordinance is after March 1, 1985, and before January 1, 1986, and if an improvement to property was partially completed on March 1, 1985, the unit may provide in the declaratory ordinance that the taxes attributable to the assessed value of the property as finally determined for March 1, 1984, shall be allocated to and, when collected, paid into the funds of the respective taxing units.
- (2) Except as otherwise provided in this section, part or all of the property tax proceeds in excess of those described in subdivision (1), as specified in the declaratory ordinance, shall be allocated to the unit for the economic development district and, when collected, paid into a special fund established by the unit for that



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1	economic development district that may be used only to pay the
2	principal of and interest on obligations owed by the unit under
3	IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of
4	industrial development programs in, or serving, that economic
5	development district. The amount not paid into the special fund
6	shall be paid to the respective units in the manner prescribed by
7	subdivision (1).
8	(3) When the money in the fund is sufficient to pay all
9	outstanding principal of and interest (to the earliest date on which
10	the obligations can be redeemed) on obligations owed by the unit
11	under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing
12	of industrial development programs in, or serving, that economic
13	development district, money in the special fund in excess of that
14	amount shall be paid to the respective taxing units in the manner
15	prescribed by subdivision (1).
16	(b) Property tax proceeds allocable to the economic development
17	district under subsection (a)(2) must, subject to subsection (a)(3), be
18	irrevocably pledged by the unit for payment as set forth in subsection
19	(a)(2).
20	(c) For the purpose of allocating taxes levied by or for any taxing
21	unit or units, the assessed value of taxable property in a territory in the
22	economic development district that is annexed by any taxing unit after
23	the effective date of the allocation provision of the declaratory
24	ordinance is the lesser of:
25	(1) the assessed value of the property for the assessment date with
26	respect to which the allocation and distribution is made; or
27	(2) the base assessed value.
28	(d) Notwithstanding any other law, each assessor shall, upon
29	petition of the fiscal body, reassess the taxable property situated upon

- or in, or added to, the economic development district effective on the next assessment date after the petition. (e) Notwithstanding any other law, the assessed value of all taxable property in the economic development district, for purposes of tax limitation, property tax replacement (except as provided in IC 6-1.1-21-3(c), IC 6-1.1-21-4(a)(3), and IC 6-1.1-21-5(c)), and formulation of the budget, tax rate, and tax levy for each political
- subdivision in which the property is located is the lesser of: (1) the assessed value of the property as valued without regard to this section; or
 - (2) the base assessed value.
- (f) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures



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that they consider expedient for the implementation of this chapter.
After each general reassessment under IC 6-1.1-4, the department of
local government finance shall adjust the base assessed value one (1)
time to neutralize any effect of the general reassessment on the
property tax proceeds allocated to the district under this section. After
each annual adjustment under IC 6-1.1-4-4.5, the department of local
government finance shall adjust the base assessed value to neutralize
any effect of the annual adjustment on the property tax proceeds
allocated to the district under this section. However, the adjustments
under this subsection may not include the effect of property tax
abatements under IC 6-1.1-12.1.
(g) As used in this section, "property taxes" means:
(1) taxes imposed under this article on real property; and
(2) any part of the taxes imposed under this article on depreciable
personal property that the unit has by ordinance allocated to the
economic development district. However, the ordinance may not

limit the allocation to taxes on depreciable personal property with any particular useful life or lives. If a unit had, by ordinance adopted before May 8, 1987, allocated to an economic development district property taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the ordinance continues in effect until an ordinance is

(h) As used in this section, "base assessed value" means:

adopted by the unit under subdivision (2).

- (1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (f); plus
- (2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision; plus
- (3) in the case of an allocation provision adopted after June 30, 2007, to the extent it is not included in subdivision (1) or (2), any net assessed value of property located in the allocation area:
 - (A) that was not included in subdivision (1) because a deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed for the assessed value on the assessment date immediately preceding the effective date of the allocation provision; and (B) for which a deduction under IC 6-1.1-12.1 or



1	IC 6-1.1-12.4 was not allowed for the assessed value on the	
2	most recent assessment date. Subdivision (2) applies only to economic development districts	
3	established after June 30, 1997, and to additional areas established	
5	after June 30, 1997.	
6	SECTION 3. IC 8-22-3.5-9, AS AMENDED BY P.L.124-2006,	
7	SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE	
8	JULY 1, 2007]: Sec. 9. (a) As used in this section, "base assessed	
9	value" means:	
.0	(1) the net assessed value of all the tangible property as finally	
1	determined for the assessment date immediately preceding the	
2	effective date of the allocation provision of the commission's	
3	resolution adopted under section 5 or 9.5 of this chapter,	
4	notwithstanding the date of the final action taken under section 6	
5	of this chapter; plus	
6	(2) to the extent it is not included in subdivision (1), the net	4
7	assessed value of property that is assessed as residential property	
8	under the rules of the department of local government finance, as	
9	finally determined for any assessment date after the effective date	
20	of the allocation provision; plus	
21	(3) in the case of an allocation provision adopted after June	
22	30, 2007, to the extent it is not included in subdivision (1) or	
23	(2), any net assessed value of tangible property located in the	
24	allocation area:	
2.5	(A) that was not included in subdivision (1) because a	
26	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed	_
27	for the assessed value on the assessment date immediately	,
28	preceding the effective date of the allocation provision; and	
29	(B) for which a deduction under IC 6-1.1-12.1 or	1
0	IC 6-1.1-12.4 was not allowed for the assessed value on the	
1	most recent assessment date.	
32	However, subdivision (2) applies only to an airport development zone	
3	established after June 30, 1997, and the portion of an airport	
4	development zone established before June 30, 1997, that is added to an	
55	existing airport development zone.	
66	(b) A resolution adopted under section 5 of this chapter and	
57	confirmed under section 6 of this chapter must include a provision with	
8	respect to the allocation and distribution of property taxes for the	
19 10	purposes and in the manner provided in this section.	
ŀ0 □1	(c) The allocation provision must:(1) apply to the entire airport development zone; and	
-1	(1) apply to the entire an port development zone, and	

(2) require that any property tax on taxable tangible property



1	subsequently levied by or for the benefit of any public body
2	entitled to a distribution of property taxes in the airport
3	development zone be allocated and distributed as provided in
4	subsections (d) and (e).
5	(d) Except as otherwise provided in this section, the proceeds of the
6	taxes attributable to the lesser of:
7	(1) the assessed value of the tangible property for the assessment
8	date with respect to which the allocation and distribution is made;
9	or
10	(2) the base assessed value;
11	shall be allocated and, when collected, paid into the funds of the
12	respective taxing units.
13	(e) All of the property tax proceeds in excess of those described in
14	subsection (d) shall be allocated to the eligible entity for the airport
15	development zone and, when collected, paid into special funds as
16	follows:
17	(1) The commission may determine that a portion of tax proceeds
18	shall be allocated to a training grant fund to be expended by the
19	commission without appropriation solely for the purpose of
20	reimbursing training expenses incurred by public or private
21	entities in the training of employees for the qualified airport
22	development project.
23	(2) The commission may determine that a portion of tax proceeds
24	shall be allocated to a debt service fund and dedicated to the
25	payment of principal and interest on revenue bonds of the airport
26	authority for a qualified airport development project, to the
27	payment of leases for a qualified airport development project, or
28	to the payment of principal and interest on bonds issued by an
29	eligible entity to pay for qualified airport development projects in
30	the airport development zone or serving the airport development
31	zone.
32	(3) Except as provided in subsection (f), all remaining tax
33	proceeds after allocations are made under subdivisions (1) and (2)
34	shall be allocated to a project fund and dedicated to the
35	reimbursement of expenditures made by the commission for a
36	qualified airport development project that is in the airport
37	development zone or is serving the airport development zone.
38	(f) If the tax proceeds allocated to the project fund in subsection
39	(e)(3) exceed the amount necessary to satisfy amounts required under
40	subsection (e), the excess in the project fund over that amount shall be
41	paid to the respective taxing units in the manner prescribed by



subsection (d).

1	(g) When money in the debt service fund and in the project fund is
2	sufficient to pay all outstanding principal and interest (to the earliest
3	date on which the obligations can be redeemed) on revenue bonds
4	issued by the airport authority for the financing of qualified airport
5	development projects, all lease rentals payable on leases of qualified
6	airport development projects, and all costs and expenditures associated
7	with all qualified airport development projects, money in the debt
8	service fund and in the project fund in excess of those amounts shall be
9	paid to the respective taxing units in the manner prescribed by
10	subsection (d).
11	(h) Property tax proceeds allocable to the debt service fund under
12	subsection (e)(2) must, subject to subsection (g), be irrevocably
13	pledged by the eligible entity for the purpose set forth in subsection
14	(e)(2).
15	(i) Notwithstanding any other law, each assessor shall, upon petition
16	of the commission, reassess the taxable tangible property situated upon
17	or in, or added to, the airport development zone effective on the next
18	assessment date after the petition.
19	(j) Notwithstanding any other law, the assessed value of all taxable
20	tangible property in the airport development zone, for purposes of tax
21	limitation, property tax replacement, and formulation of the budget, tax
22	rate, and tax levy for each political subdivision in which the property
23	is located is the lesser of:
24	(1) the assessed value of the tangible property as valued without
25	regard to this section; or
26	(2) the base assessed value.
27	SECTION 4. IC 8-22-3.5-9.5, AS ADDED BY P.L.124-2006,
28	SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29	JULY 1, 2007]: Sec. 9.5. (a) This section applies to a commission
30	located in a county described in section 1(5) of this chapter.
31	(b) The commission may amend a resolution adopted before January
32	1, 2006, under section 5 of this chapter to include a provision with
33	respect to the allocation and distribution of property taxes.
34	(c) For purposes of determining the allocation and distribution of
35	property taxes under this chapter, the "base assessed value" means:
36	(1) the net assessed value of all the tangible property as finally
37	determined for the assessment date immediately preceding the
38	effective date of the allocation provision of the commission's
39	amended resolution adopted under this section; plus
40	(2) in the case of an allocation provision adopted after June

30, 2007, to the extent it is not included in subdivision (1), any

net assessed value of tangible property located in the



1	allocation area:	
2	(A) that was not included in subdivision (1) because a	
3	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed	
4	for the assessed value on the assessment date immediately	
5	preceding the effective date of the allocation provision of	
6	the commission's amended resolution adopted under this	
7	section; and	
8	(B) for which a deduction under IC 6-1.1-12.1 or	
9	IC 6-1.1-12.4 was not allowed for the assessed value on the	
10	most recent assessment date.	
11	(d) An amendment adopted under this section must be approved by	
12	the executive of:	
13	(1) the county, if the entire airport development zone is located	
14	outside the boundaries of any municipality located in the county;	
15	(2) a municipality located in the county, if the entire airport	
16	development zone is located within the boundary of the	
17	municipality; or	
18	(3) the county and a municipality located in the county, if the	
19	airport development zone is located within the boundary of the	
20	county and partly within the boundary of the municipality.	
21	SECTION 5. IC 36-7-14-15, AS AMENDED BY P.L.185-2005,	
22	SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE	
23	JULY 1, 2007]: Sec. 15. (a) Whenever the redevelopment commission	
24	finds that:	
25	(1) an area in the territory under their jurisdiction is an area	
26	needing redevelopment;	
27	(2) the conditions described in IC 36-7-1-3 cannot be corrected in	,
28	the area by regulatory processes or the ordinary operations of	
29	private enterprise without resort to this chapter; and	
30	(3) the public health and welfare will be benefited by the	
31	acquisition and redevelopment of the area under this chapter;	
32	the commission shall cause to be prepared the data described in	
33	subsection (b).	
34	(b) After making a finding under subsection (a), the commission	
35	shall cause to be prepared:	
36	(1) maps and plats showing:	
37	(A) the boundaries of the area needing redevelopment, the	
38	location of the various parcels of property, streets, alleys, and	
39	other features affecting the acquisition, clearance, replatting,	
40	replanning, rezoning, or redevelopment of the area, indicating	
41	any parcels of property to be excluded from the acquisition;	
42	and	



1	(B) the parts of the area acquired that are to be devoted to	
2	public ways, levees, sewerage, parks, playgrounds, and other	
3	public purposes under the redevelopment plan;	
4	(2) lists of the owners of the various parcels of property proposed	
5	to be acquired; and	
6	(3) an estimate of the cost of acquisition and redevelopment.	
7	(c) After completion of the data required by subsection (b), the	
8	redevelopment commission shall adopt a resolution declaring that:	
9	(1) the area needing redevelopment is a menace to the social and	
10	economic interest of the unit and its inhabitants;	4
11	(2) it will be:	
12	(A) of public utility and benefit; and	•
13	(B) in the best interest of:	
14	(i) the taxing units containing the area needing	
15	redevelopment; and	
16	(ii) the taxing units containing territory within three (3)	4
17	miles of the area needing redevelopment;	•
18	considered as a whole;	
19	to acquire the area and redevelop it under this chapter; and	
20	(3) the area is designated as a redevelopment project area for	
21	purposes of this chapter.	
22	The resolution must state the general boundaries of the redevelopment	
23	project area, and that the department of redevelopment proposes to	
24	acquire all of the interests in the land within the boundaries, with	
25	certain designated exceptions, if there are any.	
26	(d) For the purpose of adopting a resolution under subsection (c), it	
27	is sufficient to describe the boundaries of the redevelopment project	1
28	area by its location in relation to public ways or streams, or otherwise,	\
29	as determined by the commissioners. Property excepted from the	
30	acquisition may be described by street numbers or location.	
31	SECTION 6. IC 36-7-14-15.5, AS AMENDED BY P.L.185-2005,	
32	SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE	
33	JULY 1, 2007]: Sec. 15.5. (a) This section applies to a county having	
34	a population of more than two hundred thousand (200,000) but less	
35	than three hundred thousand (300,000).	
36	(b) In adopting a declaratory resolution under section 15 of this	
37	chapter, a redevelopment commission may include a provision stating	
38	that the redevelopment project area is considered to include one (1) or	
39	more additional areas outside the boundaries of the redevelopment	
40	project area if the redevelopment commission makes the following	
41	findings and the requirements of subsection (c) are met:	
42	(1) One (1) or more taxpayers presently located within the	



1	boundaries of the redevelopment project area are expected within
2	one (1) year to relocate all or part of their operations outside the
3	boundaries of the redevelopment project area and have expressed
4	an interest in relocating all or part of their operations within the
5	boundaries of an additional area.
6	(2) The relocation described in subdivision (1) will contribute to
7	the continuation of the conditions described in IC 36-7-1-3 in the
8	redevelopment project area.
9	(3) For purposes of this section, it will be:
10	(A) of public utility and benefit; and
11	(B) in the best interest of:
12	(i) the taxing units containing the redevelopment project
13	area or the additional area; and
14	(ii) the taxing units containing territory within three (3)
15	miles of the redevelopment project area or the additional
16	area;
17	considered as a whole;
18	to include the additional areas as part of the redevelopment
19	project area.
20	(c) Each additional area must be designated by the redevelopment
21	commission as a redevelopment project area or an economic
22	development area under this chapter.
23	(d) Notwithstanding section 3 of this chapter, the additional areas
24	shall be considered to be a part of the redevelopment special taxing
25	district under the jurisdiction of the redevelopment commission. Any
26	excess property taxes that the commission has determined may be paid
27	to taxing units under section 39(b)(3) of this chapter shall be paid to
28	the taxing units from which the excess property taxes were derived. All
29	powers of the redevelopment commission authorized under this chapter
30	may be exercised by the redevelopment commission in additional areas
31	under its jurisdiction.
32	(e) The declaratory resolution must include a statement of the
33	general boundaries of each additional area. However, it is sufficient to
34	describe those boundaries by location in relation to public ways,
35	streams, or otherwise, as determined by the commissioners.
36	(f) The declaratory resolution may include a provision with respect
37	to the allocation and distribution of property taxes with respect to one
38	(1) or more of the additional areas in the manner provided in section 39
39	of this chapter. If the redevelopment commission includes such a
40	provision in the resolution, allocation areas in the redevelopment

project area and in the additional areas considered to be part of the redevelopment project area shall be considered a single allocation area



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1	for purposes of this chapter.
2	(g) The additional areas must be located within the same county as
3	the redevelopment project area but are not otherwise required to be
4	within the jurisdiction of the redevelopment commission, if the
5	redevelopment commission obtains the consent by ordinance of:
6	(1) the county legislative body, for each additional area located
7	within the unincorporated part of the county; or
8	(2) the legislative body of the city or town affected, for each
9	additional area located within a city or town.
10	In granting its consent, the legislative body shall approve the plan of
11	development or redevelopment relating to the additional area.
12	(h) A declaratory resolution previously adopted may be amended to
13	include a provision to include additional areas as set forth in this
14	section and an allocation provision under section 39 of this chapter
15	with respect to one (1) or more of the additional areas in accordance
16	with section 17.5 of this chapter.
17	(i) The redevelopment commission may amend the allocation
18	provision of a declaratory resolution in accordance with section 17.5 of
19	this chapter to change the assessment date that determines the base
20	assessed value of property in the allocation area to any assessment date
21	following the effective date of the allocation provision of the
22	declaratory resolution. Such a change may relate to the assessment date
23	that determines the base assessed value of that portion of the allocation
24	area that is located in the redevelopment project area alone, that portion
25	of the allocation area that is located in an additional area alone, or the
26	entire allocation area.
27	SECTION 7. IC 36-7-14-16, AS AMENDED BY P.L.1-2006,
28	SECTION 565, IS AMENDED TO READ AS FOLLOWS
29	[EFFECTIVE JULY 1, 2007]: Sec. 16. (a) This subsection does not
30	apply to the redevelopment commission of an excluded city described
31	in section 1(b) of this chapter. After adoption of a resolution under
32	section 15 of this chapter, the redevelopment commission shall submit
33	the resolution and supporting data to the plan commission of the unit,
34	or if there is no plan commission, then to the body charged with the
35	duty of developing a general plan for the unit, if there is such a body.
36	The redevelopment commission shall also file a copy of the
37	resolution and supporting data with:
38	(1) each taxing unit containing any territory that is designated
39	as a redevelopment project area in the resolution under
40	section 15 of this chapter; and
41	(2) each taxing unit containing any territory within three (3)

miles of the territory that is designated as a redevelopment



project area in the resolution under section 15 of this chapter. The redevelopment commission shall file the information required by subdivisions (1) and (2) at least thirty (30) days before the date the plan commission takes any action to approve, disapprove, modify, or rescind the resolution and redevelopment plan. The plan commission may determine whether the resolution and the redevelopment plan conform to the plan of development for the unit and approve or disapprove the resolution and plan proposed. The redevelopment commission may amend or modify the resolution and proposed plan in order to conform them to the requirements of the plan commission.

(b) The plan commission shall issue its written order approving or disapproving the resolution and redevelopment plan and may with the

- (b) The plan commission shall issue its written order approving or disapproving the resolution and redevelopment plan, and may, with the consent of the redevelopment commission, rescind or modify that order. The plan commission shall file a copy of the plan commission's written order with each taxing unit described in subsection (a)(1) or (a)(2).
- (b) (c) This subsection does not apply to the redevelopment commission of an excluded city described in section 1(b) of this chapter. The redevelopment commission may not proceed with the acquisition of a redevelopment project area until the approving order of the plan commission is issued and approved by the municipal legislative body or county executive.
- (c) (d) In determining the location and extent of a redevelopment project area proposed to be acquired for redevelopment, the redevelopment commission and the plan commission of the unit shall give consideration to transitional and permanent provisions for adequate housing for the residents of the area who will be displaced by the redevelopment project.
- (d) (e) A redevelopment commission in an excluded city that is exempt from the requirements of subsections (a) and (b) (c) shall submit the resolution and supporting data to the municipal legislative body of the excluded city. The municipal legislative body may:
 - (1) determine if the resolution and the redevelopment plan conform to the plan of development for the unit; and
 - (2) approve or disapprove the resolution and plan proposed.

SECTION 8. IC 36-7-14-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) After receipt of the written order of approval of the plan commission and approval of the municipal legislative body or county executive, the redevelopment commission shall publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1 and shall file a copy of the





notice with each taxing unit described in section $16(a)(1)$ or
16(a)(2) of this chapter. The notice must state that maps and plats
have been prepared and can be inspected at the office of the
department. The notice must also name a date when the commission
will receive and hear remonstrances and objections from persons
interested in or affected by the proceedings pertaining to the proposed
project, and will determine the public utility and benefit of the
proposed project and whether the proposed project is in the best
interest of the taxing units described in section $16(a)(1)$ or $16(a)(2)$
of this chapter, considered as a whole. All persons affected in any
manner by the hearing, including all taxpayers of the special taxing
district, shall be considered notified of the pendency of the hearing and
of subsequent acts, hearings, adjournments, and orders of the
commission by the notice given under this section.

- (b) A copy of the notice of the hearing on the proposed project shall be filed in the office of the unit's plan commission, board of zoning appeals, works board, park board, and building commissioner, and any other departments, bodies, or officers of the unit having to do with unit planning, variances from zoning ordinances, land use, or the issuance of building permits. These agencies and officers shall take notice of the pendency of the hearing and, until the commission confirms, modifies and confirms, or rescinds the resolution, or the confirmation of the resolution is set aside on appeal, may not:
 - (1) authorize any construction on property or sewers in the area described in the resolution, including substantial modifications, rebuilding, conversion, enlargement, additions, and major structural improvements; or
 - (2) take any action regarding the zoning or rezoning of property, or the opening, closing, or improvement of streets, alleys, or boulevards in the area described in the resolution.

This subsection does not prohibit the granting of permits for ordinary maintenance or minor remodeling, or for changes necessary for the continued occupancy of buildings in the area.

- (c) If the resolution to be considered at the hearing includes a provision establishing or amending an allocation provision under section 39 of this chapter, the redevelopment commission shall file the following information with each taxing unit that is wholly or partly located within the allocation area and with each taxing unit containing any territory within three (3) miles of the allocation area:
 - (1) A copy of the notice required by subsection (a).
 - (2) A statement disclosing the impact of the allocation area,









1	including the following:	
2	(A) The estimated economic benefits and costs incurred by:	
3	(i) the allocation area; and	
4	(ii) the taxing units described in section 16(a)(1) or	
5	16(a)(2) of this chapter, considered as a whole;	
6	as measured by increased employment and anticipated growth	
7	of real property assessed values.	
8	(B) The anticipated impact on tax revenues of each taxing unit.	
9	The redevelopment commission shall file the information required by	
10	this subsection with the officers of the taxing unit who are authorized	
11	to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten	
12	(10) days before the date of the hearing.	
13	(d) At the hearing, which may be adjourned from time to time, the	
14	redevelopment commission shall hear all persons interested in the	
15	proceedings and shall consider all written remonstrances and	
16	objections that have been filed. After considering the evidence	
17	presented, the commission shall take final action:	
18	(1) determining:	
19	(A) the public utility and benefit of the proposed project; and	
20	(B) whether the proposed project is in the best interest of	
21	the taxing units described in section $16(a)(1)$ or $16(a)(2)$ of	
22	this chapter, considered as a whole; and	
23	(2) confirming, modifying and confirming, or rescinding the	
24	resolution.	
25	The final action taken by the commission shall be recorded and is final	
26	and conclusive, except that an appeal appeals may be taken in the	
27	manner prescribed by sections 17.7 and 18 of this chapter.	
28	SECTION 9. IC 36-7-14-17.5, AS AMENDED BY P.L.185-2005,	
29	SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE	
30	JULY 1, 2007]: Sec. 17.5. (a) The commission must conduct a public	
31	hearing before amending a resolution or plan for a redevelopment	
32	project area, an urban renewal project area, or an economic	
33	development area. The commission shall give notice of the hearing in	
34	accordance with IC 5-3-1. The notice must:	
35	(1) set forth the substance of the proposed amendment;	
36	(2) state the time and place where written remonstrances against	
37	the proposed amendment may be filed;	
38	(3) set forth the time and place of the hearing; and	
39	(4) state that the commission will hear any person who has filed	
40	a written remonstrance during the filing period set forth under	
41	subdivision (2).	
42	(b) The commission shall file a copy of the notice required by	



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1 2	subsection (a) with: (1) each taxing unit containing any territory that is included
3	or will be included in the redevelopment project area, urban
4	renewal project area, or economic development area; and
5	(2) each taxing unit containing any territory within three (3)
6	miles of the territory that is included or will be included in the
7	redevelopment project area, urban renewal project area, or
8	economic development area.
9	(b) (c) For the purposes of this section, the consolidation of areas is
10	not considered the enlargement of the boundaries of an area.
11	(c) (d) When the commission proposes to amend a resolution or
12	plan, the commission is not required to have evidence or make findings
13	that were required for the establishment of the original redevelopment
14	project area, urban renewal area, or economic development area.
15	However, the commission must make the following findings before
16	approving the amendment:
17	(1) The amendment is reasonable and appropriate when
18	considered in relation to the original resolution or plan and the
19	purposes of this chapter.
20	(2) The resolution or plan, with the proposed amendment,
21	conforms to the comprehensive plan for the unit.
22	(d) (e) In addition to the requirements of subsection subsections (a)
23	and (b), if the resolution or plan is proposed to be amended in a way
24	that changes:
25	(1) parts of the area that are to be devoted to a public way, levee,
26	sewerage, park, playground, or other public purposes;
27	(2) the proposed use of the land in the area; or
28	(3) requirements for rehabilitation, building requirements,
29	proposed zoning, maximum densities, or similar requirements;
30	the commission must, at least ten (10) days before the public hearing,
31	send the notice required by subsection (a) by first class mail to affected
32	neighborhood associations.
33	(e) (f) In addition to the requirements of subsection subsections (a)
34	and (b), if the resolution or plan is proposed to be amended in a way
35	
	that: (1) anlarges the boundaries of the area by not more than twenty.
36	(1) enlarges the boundaries of the area by not more than twenty percent (20%) of the original area; or
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38	(2) adds one (1) or more parcels to the list of parcels to be
39	acquired;
40	the commission must, at least ten (10) days before the public hearing, send the notice required by subsection (a) by first class mail to affected
41	• • • • • • • • • • • • • • • • • • • •
42	neighborhood associations and to persons owning property that is in the



1	proposed enlargement of the area or that is proposed to be added to the
2	acquisition list. If the enlargement of an area is proposed, notice must
3	also be filed in accordance with section 17(b) of this chapter, and
4	agencies and officers may not take actions prohibited by section 17(b)
5	of this chapter in the proposed enlarged area.
6	(f) (g) Notwithstanding subsections (a), (b), and (c), (d), if the
7	resolution or plan is proposed to be amended in a way that enlarges the
8	original boundaries of the area by more than twenty percent (20%), the
9	commission must use the procedure provided for the original
10	establishment of areas and must comply with sections 15 through 17 of
11	this chapter.
12	(g) (h) At the hearing on the amendments, the commission shall
13	consider written remonstrances that are filed. The action of the
14	commission on the amendment shall be recorded and is final and
15	conclusive, except that an appeal appeals of the commission's action
16	may be taken under section sections 17.7 and 18 of this chapter.
17	(h) (i) The commission may require that neighborhood associations
18	register with the commission. The commission may adopt a rule that
19	requires that a neighborhood association encompass a part of the
20	geographic area included in or proposed to be included in a
21	redevelopment project area, urban renewal area, or economic
22	development area to qualify as an affected neighborhood association.
23	SECTION 10. IC 36-7-14-17.7 IS ADDED TO THE INDIANA
24	CODE AS A NEW SECTION TO READ AS FOLLOWS
25	[EFFECTIVE JULY 1, 2007]: Sec. 17.7. (a) The following apply if a
26	commission takes final action under section 17(d) or 17.5(h) of this
27	chapter confirming a resolution or modifying and confirming a
28	resolution:
29	(1) The commission shall publish notice of the final action in
30	accordance with IC 5-3-1 and shall file a copy of the notice
31	with each taxing unit described in section $16(a)(1)$ or $16(a)(2)$
32	of this chapter.
33	(2) The legislative body of each taxing unit in which a copy of
34	the notice is filed under subdivision (1) chapter must adopt a
35	resolution, not later than thirty (30) days after the notice is
36	filed under subdivision (1), that:
37	(A) approves the final action of the commission; or
38	(B) objects to the final action of the commission.
39	Each legislative body subject to this subdivision shall file a
40	copy of the resolution adopted under this subdivision with the
41	municipal legislative body or county executive that approved
42	the order of the plan commission under section 16(c) of this



1	chapter or the municipal legislative body that approved the
2	resolution and plan under section 16(e) of this chapter. In the
3	case of a final action under section 17.5(h) regarding an
4	amendment to a plan or area, a legislative body shall file a
5	copy of the resolution adopted under this subdivision with the
6	municipal legislative body or county executive that initially
7	approved the plan or area.
8	(3) In addition to any objections filed under subdivision (2),
9	the final action of the commission may be appealed by the
10	filing of a written remonstrance signed by:
11	(A) at least sixty-five percent (65%) of the owners of the
12	total land in the territory designated in the resolution as a
13	redevelopment project area and in any territory within
14	three (3) miles of the territory designated in the resolution
15	as a redevelopment project area; or
16	(B) the owners of more than seventy-five percent (75%) in
17	assessed valuation of the total land in the territory
18	designated in the resolution as a redevelopment project
19	area and in any territory within three (3) miles of the
20	territory designated in the resolution as a redevelopment
21	project area.
22	A remonstrance must be filed not later than thirty (30) days
23	after the notice is published under subdivision (1). A
24	remonstrance must be filed with the municipal legislative
25	body or county executive that approved the order of the plan
26	commission under section 16(c) of this chapter or the
27	municipal legislative body that approved the resolution and
28	plan under section 16(e) of this chapter. In the case of a final
29	action under section 17.5(h) of this chapter regarding an
30	amendment to a plan or an area, a remonstrance must be filed
31	with the municipal legislative body or county executive that
32	initially approved the plan or area.
33	(4) The following apply if an objection is filed under
34	subdivision (2) or a remonstrance is filed under subdivision
35	(3):
36	(A) The municipal legislative body or county executive
37	receiving the objection or remonstrance must hold a public
38	hearing concerning the final action of the commission. All
39	interested parties must have the opportunity to testify at
40	the public hearing.
41	(B) The municipal legislative body or county executive may

not hold the public hearing until at least sixty (60) days



1	after the conclusion of the thirty (30) day period for filing	
2	objections and remonstrances.	
3	(C) The municipal legislative body or county executive	
4	shall publish notice of the final action in accordance with	
5	IC 5-3-1 and shall file a copy of the notice with each taxing	
6	unit described in section $16(a)(1)$ or $16(a)(2)$ of this	
7	chapter.	
8	(D) The municipal legislative body or county executive	
9	shall by resolution approve, modify and approve, or	_
10	rescind the final action of the commission that is the	
11	subject of the objection or remonstrance. The municipal	
12	legislative body or county executive may approve or	
13	modify and approve the final action of the commission only	
14	if that final action is:	
15	(i) of public utility and benefit; and	
16	(ii) in the best interest of the taxing units described in	
17	section $16(a)(1)$ or $16(a)(2)$ of this chapter, considered as	
18	a whole.	
19	(E) The final action of the commission may take effect only	
20	if the final action is approved or modified and approved by	
21	the municipal legislative body or county executive under	
22	this section.	
23	SECTION 11. IC 36-7-14-18 IS AMENDED TO READ AS	
24	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. (a) A person who	
25	filed a written remonstrance with the redevelopment commission under	
26	section 17 section 17.7(a)(3) of this chapter and is aggrieved by the	
27	final action taken or the legislative body of a taxing unit that filed an	
28	objection under section $17.7(a)(2)$ of this chapter with a municipal	
29	legislative body or county executive may, within ten (10) thirty (30)	
30	days after that the final action of the municipal legislative body or	
31	county executive, file in the office of the clerk of the circuit or superior	
32	court a copy of the order of the commission and his the person's	
33	remonstrance against that order, or taxing unit's objection filed under	
34	section 17 of this chapter, together with his the person's or taxing	
35	unit's bond conditioned to pay the costs of his the appeal if the appeal	
36	is determined against him. the person or taxing unit. The only ground	
37	of remonstrance appeal that the court may hear is whether the	
38	proposed project will be:	
39	(1) of public utility and benefit; and	
40	(2) in the best interest of the taxing units described in section	
41	16(a)(1) or $16(a)(2)$ of this chapter, considered as a whole.	
42	The burden of proof is on the remonstrator. commission.	



1	(b) An appeal under this section shall be promptly heard by the
2	court without a jury. All remonstrances and objections upon which an
3	appeal has been taken shall be consolidated and heard and determined
4	within thirty (30) sixty (60) days after the time of the filing of the
5	appeal. The court shall hear evidence on the remonstrances or
6	objections, and may confirm the final action of the commission or
7	sustain the remonstrances or objections. The judgment of the court is
8	final and conclusive, unless an appeal is taken as in other civil actions.
9	SECTION 12. IC 36-7-14-39, AS AMENDED BY P.L.154-2006,
10	SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11	JULY 1, 2007]: Sec. 39. (a) As used in this section:
12	"Allocation area" means that part of a redevelopment project area
13	to which an allocation provision of a declaratory resolution adopted
14	under section 15 of this chapter refers for purposes of distribution and
15	allocation of property taxes.
16	"Base assessed value" means the following:
17	(1) If an allocation provision is adopted after June 30, 1995, in a
18	declaratory resolution or an amendment to a declaratory
19	resolution establishing an economic development area:
20	(A) the net assessed value of all the property as finally
21	determined for the assessment date immediately preceding the
22	effective date of the allocation provision of the declaratory
23	resolution, as adjusted under subsection (h); plus
24	(B) to the extent that it is not included in clause (A), the net
25	assessed value of property that is assessed as residential
26	property under the rules of the department of local government
27	finance, as finally determined for any assessment date after the
28	effective date of the allocation provision; plus
29	(C) in the case of an allocation provision adopted after
30	June 30, 2007, to the extent it is not included in clause (A)
31	or (B), any net assessed value of property located in the
32	allocation area:
33	(i) that was not included in clause (A) because a
34	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was
35	allowed for the assessed value on the assessment date
36	immediately preceding the effective date of the allocation
37	provision; and
38	(ii) for which a deduction under IC 6-1.1-12.1 or
39	IC 6-1.1-12.4 was not allowed for the assessed value on
40	the most recent assessment date.
41	(2) If an allocation provision is adopted after June 30, 1997, in a
42	declaratory resolution or an amendment to a declaratory



1	resolution establishing a redevelopment project area:	
2	(A) the net assessed value of all the property as finally	
3	determined for the assessment date immediately preceding the	
4	effective date of the allocation provision of the declaratory	
5	resolution, as adjusted under subsection (h); plus	
6	(B) to the extent that it is not included in clause (A), the net	
7	assessed value of property that is assessed as residential	
8	property under the rules of the department of local government	
9	finance, as finally determined for any assessment date after the	
10	effective date of the allocation provision; plus	
11	(C) in the case of an allocation provision adopted after	
12	June 30, 2007, to the extent it is not included in clause (A)	
13	or (B), any net assessed value of property located in the	
14	allocation area:	
15	(i) that was not included in clause (A) because a	
16	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was	
17	allowed for the assessed value on the assessment date	
18	immediately preceding the effective date of the allocation	
19	provision; and	
20	(ii) for which a deduction under IC 6-1.1-12.1 or	
21	IC 6-1.1-12.4 was not allowed for the assessed value on	
22	the most recent assessment date.	
23	(3) If	
24	(A) an allocation provision adopted before June 30, 1995, in	
25	a declaratory resolution or an amendment to a declaratory	
26	resolution establishing a redevelopment project area expires	
27	after June 30, 1997, and	
28	(B) after June 30, 1997, a new allocation provision is included	V
29	in an amendment to the declaratory resolution:	
30	(A) the net assessed value of all the property as finally	
31	determined for the assessment date immediately preceding the	
32	effective date of the allocation provision adopted after June 30,	
33	1997, as adjusted under subsection (h); plus	
34	(B) in the case of an allocation provision adopter after	
35	June 30, 2007, to the extent it is not included in clause (A),	
36	any net assessed value of property located in the allocation	
37	area:	
38	(i) that was not included in clause (A) because a	
39	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was	
40	allowed for the assessed value on the assessment date	
41	immediately preceding the effective date of the allocation	
42	provision; and	



1	(ii) for which a deduction under IC 6-1.1-12.1 or
2	IC 6-1.1-12.4 was not allowed for the assessed value on
3	the most recent assessment date.
4	(4) Except as provided in subdivision (5), for all other allocation
5	areas:
6	(A) the net assessed value of all the property as finally
7	determined for the assessment date immediately preceding the
8	effective date of the allocation provision of the declaratory
9	resolution, as adjusted under subsection (h); plus
10	(B) in the case of an allocation provision adopted after
11	June 30, 2007, to the extent it is not included in subdivision
12	(1), any net assessed value of property located in the
13	allocation area:
14	(i) that was not included in subdivision (1) because a
15	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was
16	allowed for the assessed value on the assessment date
17	immediately preceding the effective date of the allocation
18	provision; and
19	(ii) for which a deduction under IC 6-1.1-12.1 or
20	IC 6-1.1-12.4 was not allowed for the assessed value on
21	the most recent assessment date.
22	(5) If an allocation area established in an economic development
23	area before July 1, 1995, is expanded after June 30, 1995, the
24	definition in subdivision (1) applies to the expanded part of the
25	area added after June 30, 1995.
26	(6) If an allocation area established in a redevelopment project
27	area before July 1, 1997, is expanded after June 30, 1997, the
28	definition in subdivision (2) applies to the expanded part of the
29	area added after June 30, 1997.
30	Except as provided in section 39.3 of this chapter, "property taxes"
31	means taxes imposed under IC 6-1.1 on real property. However, upon
32	approval by a resolution of the redevelopment commission adopted
33	before June 1, 1987, "property taxes" also includes taxes imposed
34	under IC 6-1.1 on depreciable personal property. If a redevelopment
35	commission adopted before June 1, 1987, a resolution to include within
36	the definition of property taxes taxes imposed under IC 6-1.1 on
37	depreciable personal property that has a useful life in excess of eight
38	(8) years, the commission may by resolution determine the percentage
39	of taxes imposed under IC 6-1.1 on all depreciable personal property
40	that will be included within the definition of property taxes. However,
41	the percentage included must not exceed twenty-five percent (25%) of

the taxes imposed under IC 6-1.1 on all depreciable personal property.



1	(b) A declaratory resolution adopted under section 15 of this chapter
2	on or before the allocation deadline determined under subsection (i)
3	may include a provision with respect to the allocation and distribution
4	of property taxes for the purposes and in the manner provided in this
5	section. A declaratory resolution previously adopted may include an
6	allocation provision by the amendment of that declaratory resolution on
7	or before the allocation deadline determined under subsection (i) in
8	accordance with the procedures required for its original adoption. A
9	declaratory resolution or an amendment that establishes an allocation
10	provision after June 30, 1995, must specify an expiration date for the
11	allocation provision that may not be more than thirty (30) years after
12	the date on which the allocation provision is established. However, if
13	bonds or other obligations that were scheduled when issued to mature
14	before the specified expiration date and that are payable only from
15	allocated tax proceeds with respect to the allocation area remain
16	outstanding as of the expiration date, the allocation provision does not
17	expire until all of the bonds or other obligations are no longer
18	outstanding. The allocation provision may apply to all or part of the
19	redevelopment project area. The allocation provision must require that
20	any property taxes subsequently levied by or for the benefit of any
21	public body entitled to a distribution of property taxes on taxable
22	property in the allocation area be allocated and distributed as follows:
23	(1) Except as otherwise provided in this section, the proceeds of
24	the taxes attributable to the lesser of:
25	(A) the assessed value of the property for the assessment date
26	with respect to which the allocation and distribution is made;
27	or

- - (B) the base assessed value;
- shall be allocated to and, when collected, paid into the funds of the respective taxing units.
- (2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:
 - (A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.
 - (B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in



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1	that allocation area.
2	(C) Pay the principal of and interest on bonds payable from
3	allocated tax proceeds in that allocation area and from the
4	special tax levied under section 27 of this chapter.
5	(D) Pay the principal of and interest on bonds issued by the
6	unit to pay for local public improvements in or serving that
7	allocation area.
8	(E) Pay premiums on the redemption before maturity of bonds
9	payable solely or in part from allocated tax proceeds in that
10	allocation area.
11	(F) Make payments on leases payable from allocated tax
12	proceeds in that allocation area under section 25.2 of this
13	chapter.
14	(G) Reimburse the unit for expenditures made by it for local
15	public improvements (which include buildings, parking
16	facilities, and other items described in section 25.1(a) of this
17	chapter) in or serving that allocation area.
18	(H) Reimburse the unit for rentals paid by it for a building or
19	parking facility in or serving that allocation area under any
20	lease entered into under IC 36-1-10.
21	(I) Pay all or a part of a property tax replacement credit to
22	taxpayers in an allocation area as determined by the
23	redevelopment commission. This credit equals the amount
24	determined under the following STEPS for each taxpayer in a
25	taxing district (as defined in IC 6-1.1-1-20) that contains all or
26	part of the allocation area:
27	STEP ONE: Determine that part of the sum of the amounts
28	under IC $6-1.1-21-2(g)(1)(A)$, IC $6-1.1-21-2(g)(2)$,
29	IC $6-1.1-21-2(g)(3)$, IC $6-1.1-21-2(g)(4)$, and
30	IC $6-1.1-21-2(g)(5)$ that is attributable to the taxing district.
31	STEP TWO: Divide:
32	(i) that part of each county's eligible property tax
33	replacement amount (as defined in IC 6-1.1-21-2) for that
34	year as determined under IC 6-1.1-21-4 that is attributable
35	to the taxing district; by
36	(ii) the STEP ONE sum.
37	STEP THREE: Multiply:
38	(i) the STEP TWO quotient; times
39	(ii) the total amount of the taxpayer's taxes (as defined in
40	IC 6-1.1-21-2) levied in the taxing district that have been
41	allocated during that year to an allocation fund under this
42	section.



1	If not all the taxpayers in an allocation area receive the credit
2	in full, each taxpayer in the allocation area is entitled to
3	receive the same proportion of the credit. A taxpayer may not
4	receive a credit under this section and a credit under section
5	39.5 of this chapter in the same year.
6	(J) Pay expenses incurred by the redevelopment commission
7	for local public improvements that are in the allocation area or
8	serving the allocation area. Public improvements include
9	buildings, parking facilities, and other items described in
10	section 25.1(a) of this chapter.
11	(K) Reimburse public and private entities for expenses
12	incurred in training employees of industrial facilities that are
13	located:
14	(i) in the allocation area; and
15	(ii) on a parcel of real property that has been classified as
16	industrial property under the rules of the department of local
17	government finance.
18	However, the total amount of money spent for this purpose in
19	any year may not exceed the total amount of money in the
20	allocation fund that is attributable to property taxes paid by the
21	industrial facilities described in this clause. The
22	reimbursements under this clause must be made within three
23	(3) years after the date on which the investments that are the
24	basis for the increment financing are made.
25	The allocation fund may not be used for operating expenses of the
26	commission.
27	(3) Except as provided in subsection (g), before July 15 of each
28	year the commission shall do the following:
29	(A) Determine the amount, if any, by which the base assessed
30	value when multiplied by the estimated tax rate of the
31	allocation area will exceed the amount of assessed value
32	needed to produce the property taxes necessary to make, when
33	due, principal and interest payments on bonds described in
34	subdivision (2) plus the amount necessary for other purposes
35	described in subdivision (2).
36	(B) Notify the county auditor of the amount, if any, of the
37	amount of excess assessed value that the commission has
38	determined may be allocated to the respective taxing units in
39	the manner prescribed in subdivision (1). The commission
40	may not authorize an allocation of assessed value to the
41	respective taxing units under this subdivision if to do so would



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endanger the interests of the holders of bonds described in

	23	
1	subdivision (2) or lessors under section 25.3 of this chapter.	
2	(c) For the purpose of allocating taxes levied by or for any taxing	
3	unit or units, the assessed value of taxable property in a territory in the	
4	allocation area that is annexed by any taxing unit after the effective	
5	date of the allocation provision of the declaratory resolution is the	
6	lesser of:	
7	(1) the assessed value of the property for the assessment date with	
8	respect to which the allocation and distribution is made; or	
9	(2) the base assessed value.	
10	(d) Property tax proceeds allocable to the redevelopment district	1
11	under subsection (b)(2) may, subject to subsection (b)(3), be	
12	irrevocably pledged by the redevelopment district for payment as set	
13	forth in subsection (b)(2).	
14	(e) Notwithstanding any other law, each assessor shall, upon	
15	petition of the redevelopment commission, reassess the taxable	
16	property situated upon or in, or added to, the allocation area, effective	1
17	on the next assessment date after the petition.	
18	(f) Notwithstanding any other law, the assessed value of all taxable	
19	property in the allocation area, for purposes of tax limitation, property	
20	tax replacement, and formulation of the budget, tax rate, and tax levy	
21	for each political subdivision in which the property is located is the	I
22	lesser of:	
23	(1) the assessed value of the property as valued without regard to	
24	this section; or	
25	(2) the base assessed value.	
26	(g) If any part of the allocation area is located in an enterprise zone	_
27	created under IC 5-28-15, the unit that designated the allocation area	1
28	shall create funds as specified in this subsection. A unit that has	
29	obligations, bonds, or leases payable from allocated tax proceeds under	
30	subsection (b)(2) shall establish an allocation fund for the purposes	
31	specified in subsection (b)(2) and a special zone fund. Such a unit	
32	shall, until the end of the enterprise zone phase out period, deposit each	
33	year in the special zone fund any amount in the allocation fund derived	
34	from property tax proceeds in excess of those described in subsection	
35	(b)(1) from property located in the enterprise zone that exceeds the	
36	amount sufficient for the purposes specified in subsection (b)(2) for the	
37	year. The amount sufficient for purposes specified in subsection (b)(2)	
38	for the year shall be determined based on the pro rata portion of such	
39	current property tax proceeds from the part of the enterprise zone that	

is within the allocation area as compared to all such current property

tax proceeds derived from the allocation area. A unit that has no

obligations, bonds, or leases payable from allocated tax proceeds under



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subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

- (i) The allocation deadline referred to in subsection (b) is determined in the following manner:
 - (1) The initial allocation deadline is December 31, 2011.
 - (2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.
 - (3) At least one (1) year before the date of an allocation deadline











1	determined under subdivision (2), the general assembly may enact	
2	a law that:	
3	(A) terminates the automatic extension of allocation deadlines	
4	under subdivision (2); and	
5	(B) specifically designates a particular date as the final	
6	allocation deadline.	
7	SECTION 13. IC 36-7-14-39.3 IS AMENDED TO READ AS	
8	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 39.3. (a) As used in this	
9	section, "depreciable personal property" refers to:	
10	(1) all of the designated taxpayer's depreciable personal property	
11	that is located in the allocation area; and	
12	(2) all other depreciable property located and taxable on the	
13	designated taxpayer's site of operations within the allocation area.	
14	(b) As used in this section, "designated taxpayer" means any	
15	taxpayer designated by the commission in a declaratory resolution	
16	adopted or amended under section 15 or 17.5 of this chapter, and with	
17	respect to which the commission finds that taxes to be derived from the	
18	depreciable personal property in the allocation area, in excess of the	
19	taxes attributable to the base assessed value of that personal property,	
20	are needed to pay debt service or to provide security for bonds issued	
21	under section 25.1 of this chapter or to make payments or to provide	
22	security on leases payable under section 25.2 of this chapter in order to	
23	provide local public improvements for a particular allocation area.	
24	However, a commission may not designate a taxpayer after June 30,	_
25	1992, unless the commission also finds that:	
26	(1) the taxpayer's property in the allocation area will consist	
27	primarily of industrial, manufacturing, warehousing, research and	
28	development, processing, distribution, or transportation related	Y
29	projects; and	
30	(2) the taxpayer's property in the allocation area will not consist	
31	primarily of retail, commercial, or residential projects.	
32	(c) The allocation provision of a declaratory resolution may modify	
33	the definition of "property taxes" under section 39(a) of this chapter to	
34	include taxes imposed under IC 6-1.1 on the depreciable personal	
35	property located and taxable on the site of operations of the designated	
36	taxpayers in accordance with the procedures and limitations set forth	
37	in this section and section 39 of this chapter. If such a modification is	
38	included in the resolution, for purposes of section 39 of this chapter the	
39	term "base assessed value" with respect to the depreciable personal	
40	property means the:	
41	(1) net assessed value of all the depreciable personal property as	

finally determined for the assessment date immediately preceding:



1	(1)(A) the effective date of the modification, for modifications	
2	adopted before July 1, 1995; and	
3	(2) (B) the adoption date of the modification for modifications	
4	adopted after June 30, 1995;	
5	as adjusted under section 39(h) of this chapter; plus	
6	(2) in the case of a modification adopted after June 30, 2007,	
7	to the extent it is not included in subdivision (1), any net	
8	assessed value of depreciable personal property:	
9	(A) that was not included in subdivision (1) because a	
.0	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed	4
1	for the assessed value on the assessment date immediately	
2	preceding the adoption date of the modification; and	
.3	(B) for which a deduction under IC 6-1.1-12.1 or	
.4	IC 6-1.1-12.4 was not allowed for the assessed value on the	
.5	most recent assessment date.	
6	SECTION 14. IC 36-7-14-41 IS AMENDED TO READ AS	4
.7	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 41. (a) The commission	
.8	may, by following the procedures set forth in sections 15 through 17	
9	17.7 of this chapter, approve a plan for and determine that a geographic	
20	area in the redevelopment district is an economic development area.	
21	Designation of an economic development area is subject to objection	
22	or remonstrance under section 17.7 of this chapter and to judicial	
23	review in the manner prescribed in section 18 of this chapter.	
24	(b) The commission may determine that a geographic area is an	
2.5	economic development area if it finds that:	
26	(1) the plan for the economic development area:	
27	(A) promotes significant opportunities for the gainful	1
28	employment of its citizens;	
29	(B) attracts a major new business enterprise to the unit;	
30	(C) retains or expands a significant business enterprise	
31	existing in the boundaries of the unit; or	
32	(D) meets other purposes of this section and sections 2.5 and	
33	43 of this chapter;	
4	(2) the plan for the economic development area cannot be	
55	achieved by regulatory processes or by the ordinary operation of	
66	private enterprise without resort to the powers allowed under this	
37	section and sections 2.5 and 43 of this chapter because of:	
8	(A) lack of local public improvement;	
10	(B) existence of improvements or conditions that lower the	
1	value of the land below that of nearby land;	
1	(C) multiple ownership of land; or	
-2	(D) other similar conditions;	



1	(3) the public health and welfare will be benefited by
2	accomplishment of the plan for the economic development area;
3	(4) the accomplishment of the plan for the economic development
4	area will be:
5	(A) a public utility and benefit as measured by:
6	(A) (i) the attraction or retention of permanent jobs;
7	(B) (ii) an increase in the property tax base;
8	(C) (iii) improved diversity of the economic base; or
9	(D) (iv) other similar public benefits; and
10	(B) in the best interest of:
11	(i) the taxing units containing the economic development
12	area; and
13	(ii) the taxing units containing territory within three (3)
14	miles of the economic development area;
15	considered as a whole; and
16	(5) the plan for the economic development area conforms to other
17	development and redevelopment plans for the unit; and
18	(6) if the geographic area of the economic development area
19	is more than one hundred (100) acres, the plan for the
20	economic development area includes a commitment or plan
21	for the provision of water, sewage, and other utility services
22	to the economic development area within three (3) years after
23	the effective date of the determination by the commission.
24	(c) The determination that a geographic area is an economic
25	development area must be approved by the unit's legislative body The
26	approval may be given either before or after judicial review is
27	requested. and is subject to objection or remonstrance under
28	section 17.7 of this chapter. The requirement that the unit's legislative
29	body approve economic development areas does not prevent the
30	commission from amending the plan for the economic development
31	area. However, the enlargement of any boundary in the economic
32	development area must be approved by the unit's legislative body.
33	SECTION 15. IC 36-7-14-45, AS ADDED BY P.L.154-2006,
34	SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35	JULY 1, 2007]: Sec. 45. (a) The commission may establish a program
36	for housing by resolution. The program, which may include any
37	relevant elements the commission considers appropriate, may be
38	adopted as part of a redevelopment plan or amendment to a
39	redevelopment plan, and must establish an allocation area for purposes
40	of sections 39 and 48 of this chapter for the accomplishment of the
41	program. The program must be approved by the municipal legislative

body or county executive as specified in section 17 of this chapter.



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1	(b) The notice and hearing provisions of sections 17, and 17.5, and
2	17.7 of this chapter, including notice under section 17(c) of this chapter
3	to a taxing unit that is wholly or partly located within an allocation area
4	and notice under section 17.7(a) of this chapter, apply to the
5	resolution adopted under subsection (a). Judicial Review of the
6	resolution may be made under section 17.7 or 18 of this chapter.
7	(c) Before formal submission of any housing program to the
8	commission, the department of redevelopment:
9	(1) shall consult with persons interested in or affected by the
10	proposed program;
11	(2) shall provide the affected neighborhood associations,
12	residents, and township assessors with an adequate opportunity to
13	participate in an advisory role in planning, implementing, and
14	evaluating the proposed program; and
15	(3) shall hold public meetings in the affected neighborhood to
16	obtain the views of neighborhood associations and residents.
17	SECTION 16. IC 36-7-14-47, AS ADDED BY P.L.154-2006,
18	SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19	JULY 1, 2007]: Sec. 47. The commission must make the following
20	findings in the resolution adopting a housing program under section 45
21	of this chapter:
22	(1) Not more than twenty-five (25) acres of the area included in
23	the allocation area has been annexed during the preceding five (5)
24	years.
25	(2) No area within the allocation area has been annexed within the
26	preceding five (5) years over a remonstrance of a majority of the
27	owners of land within the annexed area.
28	(3) The program cannot be accomplished by regulatory processes
29	or by the ordinary operation of private enterprise because of:
30	(A) the lack of public improvements;
31	(B) the existence of improvements or conditions that lower the
32	value of the land below that of nearby land; or
33	(C) other similar conditions.
34	(4) The public health and welfare will be benefited by
35	accomplishment of the program.
36	(5) The accomplishment of the program will be:
37	(A) of public utility and benefit as measured by:
38	(A) (i) the provision of adequate housing for low and
39	moderate income persons;
40	(B) (ii) an increase in the property tax base; or
41	(C) (iii) other similar public benefits; and
42	(B) in the best interest of:



1	(i) the taxing units containing the allocation area; and	
2	(ii) the taxing units containing territory within three (3)	
3	miles of the allocation area;	
4	considered as a whole.	
5	(6) At least one-third (1/3) of the parcels in the allocation area	
6	established by the program are vacant.	
7	(7) At least seventy-five percent (75%) of the allocation area is	
8	used for residential purposes or is planned to be used for	
9	residential purposes.	
10	(8) At least one-third (1/3) of the residential units in the allocation	
11	area were constructed before 1941.	•
12	(9) At least one-third (1/3) of the parcels in the allocation area	
13	have at least one (1) of the following characteristics:	
14	(A) The dwelling unit on the parcel is not permanently	
15	occupied.	
16 17	(B) The parcel is the subject of a governmental order, issued	
17	under a statute or an ordinance, requiring the correction of a	•
18 19	housing code violation or unsafe building condition.	
	(C) Two (2) or more property tax payments on the parcel are delinquent.	
20 21	(D) The parcel is owned by local, state, or federal government.	
22	(10) The total area within the county or municipality that is	
23	included in any allocation area established for a housing program	
24	under section 45 of this chapter does not exceed one hundred fifty	
25	(150) acres.	
26	SECTION 17. IC 36-7-14-48, AS ADDED BY P.L.154-2006,	
27	SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE	1
28	JULY 1, 2007]: Sec. 48. (a) Notwithstanding section 39(a) of this	\
29	chapter, with respect to the allocation and distribution of property taxes	
30	for the accomplishment of a program adopted under section 45 of this	_
31	chapter, "base assessed value" means:	
32	(1) the net assessed value of all of the property, other than	
33	personal property, as finally determined for the assessment date	
34	immediately preceding the effective date of the allocation	
35	provision, as adjusted under section 39(h) of this chapter; plus	
36	(2) in the case of an allocation provision adopted after June	
37	30, 2007, to the extent it is not included in subdivision (1), any	
38	net assessed value of property located in the allocation area:	
39	(A) that was not included in subdivision (1) because a	
40	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed	
41	for the assessed value on the assessment date immediately	
42	nreceding the effective date of the allocation provision: and	



1	(B) for which a deduction under IC 6-1.1-12.1 or	
2	IC 6-1.1-12.4 was not allowed for the assessed value on the	
3	most recent assessment date.	
4	(b) The allocation fund established under section 39(b) of this	
5	chapter for the allocation area for a program adopted under section 45	
6	of this chapter may be used only for purposes related to the	
7	accomplishment of the program, including the following:	
8	(1) The construction, rehabilitation, or repair of residential units	
9	within the allocation area.	
0	(2) The construction, reconstruction, or repair of any	4
1	infrastructure (including streets, sidewalks, and sewers) within or	
2	serving the allocation area.	`
3	(3) The acquisition of real property and interests in real property	
4	within the allocation area.	
.5	(4) The demolition of real property within the allocation area.	
6	(5) The provision of financial assistance to enable individuals and	4
7	families to purchase or lease residential units within the allocation	
.8	area. However, financial assistance may be provided only to those	
9	individuals and families whose income is at or below the county's	
20	median income for individuals and families, respectively.	
21	(6) The provision of financial assistance to neighborhood	
22	development corporations to permit them to provide financial	
23	assistance for the purposes described in subdivision (5).	
24	(7) Providing each taxpayer in the allocation area a credit for	_
25	property tax replacement as determined under subsections (c) and	
26	(d). However, the commission may provide this credit only if the	_
27	municipal legislative body (in the case of a redevelopment	
28	commission established by a municipality) or the county	'
29	executive (in the case of a redevelopment commission established	
0	by a county) establishes the credit by ordinance adopted in the	
31	year before the year in which the credit is provided.	
32	(c) The maximum credit that may be provided under subsection	
33	(b)(7) to a taxpayer in a taxing district that contains all or part of an	
4	allocation area established for a program adopted under section 45 of	
55	this chapter shall be determined as follows:	
66	STEP ONE: Determine that part of the sum of the amounts	
57	described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)	
8	through IC $6-1.1-21-2(g)(5)$ that is attributable to the taxing	
9	district.	
10	STEP TWO: Divide:	
1	(A) that part of each county's eligible property tax replacement	
12	amount (as defined in IC 6-1.1-21-2) for that year as	



1	determined under IC 6-1.1-21-4(a)(1) that is attributable to the	
2	taxing district; by	
3	(B) the amount determined under STEP ONE.	
4	STEP THREE: Multiply:	
5	(A) the STEP TWO quotient; by	
6	(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in	
7	the taxing district allocated to the allocation fund, including	
8	the amount that would have been allocated but for the credit.	
9	(d) The commission may determine to grant to taxpayers in an	
0	allocation area from its allocation fund a credit under this section, as	
1	calculated under subsection (c). Except as provided in subsection (g),	
2	one-half (1/2) of the credit shall be applied to each installment of taxes	
.3	(as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and	
4	payable on May 10 and November 10 of a year. The commission must	
.5	provide for the credit annually by a resolution and must find in the	
6	resolution the following:	
7	(1) That the money to be collected and deposited in the allocation	
8	fund, based upon historical collection rates, after granting the	
9	credit will equal the amounts payable for contractual obligations	
20	from the fund, plus ten percent (10%) of those amounts.	
21	(2) If bonds payable from the fund are outstanding, that there is	
22	a debt service reserve for the bonds that at least equals the amount	
23	of the credit to be granted.	
24	(3) If bonds of a lessor under section 25.2 of this chapter or under	
25	IC 36-1-10 are outstanding and if lease rentals are payable from	
26	the fund, that there is a debt service reserve for those bonds that	
27	at least equals the amount of the credit to be granted.	
28	If the tax increment is insufficient to grant the credit in full, the	
29	commission may grant the credit in part, prorated among all taxpayers.	
0	(e) Notwithstanding section 39(b) of this chapter, the allocation	
31	fund established under section 39(b) of this chapter for the allocation	
32	area for a program adopted under section 45 of this chapter may only	
33	be used to do one (1) or more of the following:	
34	(1) Accomplish one (1) or more of the actions set forth in section	
55	39(b)(2)(A) through 39(b)(2)(H) and 39(b)(2)(J) of this chapter	
66	for property that is residential in nature.	
37	(2) Reimburse the county or municipality for expenditures made	
8	by the county or municipality in order to accomplish the housing	
9	program in that allocation area.	
10	The allocation fund may not be used for operating expenses of the	
1	commission.	
12	(f) Notwithstanding section 39(b) of this chapter, the commission	



1	shall, relative to the allocation fund established under section 39(b) of	
2	this chapter for an allocation area for a program adopted under section	
3	45 of this chapter, do the following before July 15 of each year:	
4	(1) Determine the amount, if any, by which property taxes payable	
5	to the allocation fund in the following year will exceed the	
6	amount of property taxes necessary:	
7	(A) to make, when due, principal and interest payments on	
8	bonds described in section 39(b)(2) of this chapter;	
9	(B) to pay the amount necessary for other purposes described	
10	in section 39(b)(2) of this chapter; and	1
11	(C) to reimburse the county or municipality for anticipated	
12	expenditures described in subsection (e)(2).	
13	(2) Notify the county auditor of the amount, if any, of excess	
14	property taxes that the commission has determined may be paid	
15	to the respective taxing units in the manner prescribed in section	
16	39(b)(1) of this chapter.	1
17	(g) This subsection applies to an allocation area only to the extent	•
18	that the net assessed value of property that is assessed as residential	
19	property under the rules of the department of local government finance	
20	is not included in the base assessed value. If property tax installments	
21	with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in	ı
22	installments established by the department of local government finance	
23	under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an	
24	allocation area is entitled to an additional credit under subsection (d)	•
25	for the taxes (as defined in IC 6-1.1-21-2) due in installments. The	
26	credit shall be applied in the same proportion to each installment of	
27	taxes (as defined in IC 6-1.1-21-2).	1
28	SECTION 18. IC 36-7-15.1-8, AS AMENDED BY P.L.185-2005,	
29	SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE	
30	JULY 1, 2007]: Sec. 8. (a) Whenever the commission finds that:	
31	(1) an area in the redevelopment district is an area needing	
32	redevelopment;	
33	(2) the conditions described in IC 36-7-1-3 cannot be corrected in	
34	the area by regulatory processes or by the ordinary operations of	
35	private enterprise without resort to this chapter; and	
36	(3) the public health and welfare will be benefited by the	
37	acquisition and redevelopment of the area under this chapter;	
38	the commission shall cause to be prepared a redevelopment or urban	
39	renewal plan.	
40	(b) The redevelopment or urban renewal plan must include:	
41	(1) maps, plats, or maps and plats, showing:	
42	(A) the boundaries of the area needing redevelopment, the	



1	location of the various parcels of property, public ways, and	
2	other features affecting the acquisition, clearance, replatting,	
3	replanning, rezoning, or redevelopment of the area or areas,	
4	indicating any parcels of property to be excluded from the	
5	acquisition; and	
6	(B) the parts of the area acquired that are to be devoted to	
7	public ways, levees, sewerage, parks, playgrounds, and other	
8	public purposes;	
9	(2) lists of the owners of the various parcels of property proposed	
10	to be acquired; and	
11	(3) an estimate of the cost of acquisition and redevelopment.	
12	(c) After completion of the data required by subsection (b), the	
13	commission shall adopt a resolution declaring that:	
14	(1) the area needing redevelopment is a detriment to the social or	
15	economic interests of the consolidated city and its inhabitants;	
16	(2) it will be:	
17	(A) of public utility and benefit; and	
18	(B) in the best interest of:	
19	(i) the taxing units containing the area needing	
20	redevelopment; and	
21	(ii) the taxing units containing territory within three (3)	
22	miles of the area needing redevelopment;	
23	considered as a whole;	
24	to acquire the area and redevelop it under this chapter; and	
25	(3) the area is designated as a redevelopment project area for	
26	purposes of this chapter.	
27	The resolution must state the general boundaries of the redevelopment	
28	project area and identify the interests in real or personal property, if	
29	any, that the department proposes to acquire in the area.	
30	(d) For the purpose of adopting a resolution under subsection (c), it	
31	is sufficient to describe the boundaries of the redevelopment project	
32	area by its location in relation to public ways or streams, or otherwise,	
33	as determined by the commission. Property proposed for acquisition	
34	may be described by street numbers or location.	
35	SECTION 19. IC 36-7-15.1-10 IS AMENDED TO READ AS	
36	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) After approval	
37	under section 9 of this chapter, the commission shall publish notice of	
38	the adoption and substance of the resolution in accordance with	
39	IC 5-3-1. The commission shall also file a copy of the resolution and	
40	supporting data with:	
41	(1) each taxing unit containing any territory that is designated	
12	as a redevelopment project area in the resolution under	



1	section 8 of this chapter; and
2	(2) each taxing unit containing any territory within three (3)
3	miles of the territory that is designated as a redevelopment
4	project area in the resolution under section 8 of this chapter.
5	The commission shall file the information required by subdivisions
6	(1) and (2) at least thirty (30) days before the hearing required by
7	this section. The notice must state that maps, plats, or maps and plats
8	have been prepared and can be inspected at the office of the
9	department. The notice must also name a date when the commission
10	will receive and hear remonstrances and other testimony from persons
11	interested in or affected by the proceeding pertaining to the proposed
12	project, and will determine the public utility and benefit of the
13	proposed project and whether the proposed project is in the best
14	interest of the taxing units described in subdivision (1) or (2),
15	considered as a whole. All persons affected in any manner by the
16	hearing, including all taxpayers of the redevelopment district, shall be
17	considered notified of the pendency of the hearing and of subsequent
18	acts, hearings, adjournments, and orders of the commission by the
19	notice given under this section.
20	(b) A copy of the notice of the hearing on the resolution shall be
21	filed in the office of the commission, board of zoning appeals, works
22	board, park board, and any other departments, bodies, or officers of the
23	consolidated city having to do with planning, variances from zoning
24	ordinances, land use, or the issuance of building permits. These
25	agencies and officers shall take notice of the pendency of the hearing,
26	and until the commission confirms, modifies and confirms, or rescinds
27	the resolution, or the confirmation of the resolution is set aside on
28	appeal, they may not, without approval of the commission:
29	(1) authorize any construction on property or sewers in the area
30	described in the resolution, including substantial modifications,
31	rebuilding, conversion, enlargement, additions, and major
32	structural improvements; or
33	(2) take any action regarding the zoning or rezoning of property,
34	or the opening, closing, or improvement of public ways in the area
35	described in the resolution.
36	This subsection does not prohibit the granting of permits for ordinary
37	maintenance or minor remodeling, or for changes necessary for the
38	continued occupancy of buildings in the area.
39	(c) If the resolution to be considered at the hearing includes a

provision establishing or amending an allocation provision under

section 26 of this chapter, the commission shall file the following

information with each taxing unit that is wholly or partly located within



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1	(3) set forth the time and place of the hearing; and
2	(4) state that the commission will hear any person who has filed
3	a written remonstrance during the filing period set forth under
4	subdivision (2).
5	(b) The commission shall file a copy of the notice required by
6	subsection (a) with:
7	(1) each taxing unit containing any territory that is included
8	or will be included in the redevelopment project area, urban
9	renewal project area, or economic development area; and
0	(2) each taxing unit containing any territory within three (3)
1	miles of the territory that is included or will be included in the
2	redevelopment project area, urban renewal project area, or
3	economic development area.
4	(b) (c) For the purposes of this section, the consolidation of areas is
5	not considered the enlargement of the boundaries of an area.
6	(c) (d) When the commission proposes to amend a resolution or
7	plan, the commission is not required to have evidence or make findings
8	that were required for the establishment of the original redevelopment
9	project area, urban renewal area, or economic development area.
0	However, the commission must make the following findings before
1	approving the amendment:
2	(1) The amendment is reasonable and appropriate when
3	considered in relation to the original resolution or plan and the
4	purposes of this chapter.
5	(2) The resolution or plan, with the proposed amendment,
6	conforms to the comprehensive plan for the county.
7	(d) (e) In addition to the requirements of subsection subsections (a)
8	and (b), if the resolution or plan is proposed to be amended in a way
9	that changes:
0	(1) parts of the area that are to be devoted to a public way, levee,
1	sewerage, park, playground, or other public purpose;
2	(2) the proposed use of the land in the area; or
3	(3) requirements for rehabilitation, building requirements,
4	proposed zoning, maximum densities, or similar requirements;
5	the commission must, at least ten (10) days before the public hearing,
6	send the notice required by subsection (a) by first class mail to affected
7	neighborhood associations.
8	(e) (f) In addition to the requirements of subsection subsections (a)
9	and (b), if the resolution or plan is proposed to be amended in a way
0	that:
1	(1) enlarges the boundaries of the area by not more than twenty
2	nercent (20%) of the original area: or



1	(2) adds one (1) or more parcels to the list of parcels to be	
2	acquired;	
3	the commission must, at least ten (10) days before the public hearing,	
4	send the notice required by subsection (a) by first class mail to affected	
5	neighborhood associations and to persons owning property that is in the	
6	proposed enlargement of the area or that is proposed to be added to the	
7	acquisition list. If the enlargement of an area is proposed, notice must	
8	also be filed in accordance with section 10(b) of this chapter, and	
9	agencies and officers may not take actions prohibited by section 10(b)	
10	in the proposed enlarged area.	1
11	(f) (g) Notwithstanding subsections (a), (b), and (c), (d), if the	
12	resolution or plan is proposed to be amended in a way that enlarges the	•
13	original boundaries of the area by more than twenty percent (20%), the	
14	commission must use the procedure provided for the original	
15	establishment of areas and must comply with sections 8 through 10 of	
16	this chapter.	1
17	(g) (h) At the hearing on the amendments, the commission shall	
18	consider written remonstrances that are filed. The action of the	
19	commission on the amendment shall be recorded and is final and	
20	conclusive, except that:	
21	(1) the city-county legislative body must also approve the	
22	enlargement of the boundaries of an economic development area;	ı
23	and	ı
24	(2) an appeal appeals of the commission's action may be taken	
25	under sections 10.7 and 11 of this chapter.	
26	(h) (i) The commission may require that neighborhood associations	
27	register with the commission. The commission may adopt a rule that	1
28	requires that a neighborhood association encompass a part of the	1
29	geographic area included in or proposed to be included in a	
30	redevelopment project area, urban renewal area, or economic	
31	development area to qualify as an affected neighborhood association.	
32	SECTION 21. IC 36-7-15.1-10.7 IS ADDED TO THE INDIANA	
33	CODE AS A NEW SECTION TO READ AS FOLLOWS	
34	[EFFECTIVE JULY 1, 2007]: Sec. 10.7. (a) The following apply if a	
35	commission takes final action under section 10(d) or 10.5(h) of this	
36	chapter confirming a resolution or modifying and confirming a	
37	resolution:	
38	(1) The commission shall publish notice of the final action in	
39	accordance with IC 5-3-1 and shall file a copy of the notice	
40	with each taxing unit described in section 8(c)(2)(B)(i) or	
41	8(c)(2)(B)(ii) of this chapter.	
42	(2) The legislative body of each taxing unit in which a copy of	



1	the notice is filed under subdivision (1) must adopt a	
2	resolution, not later than thirty (30) days after the notice is	
3	filed under subdivision (1), that:	
4	(A) approves the final action of the commission; or	
5	(B) objects to the final action of the commission.	
6	Each legislative body shall file a copy of the resolution	
7	adopted under this subdivision with the city-county legislative	
8	body.	
9	(3) In addition to any objections filed under subdivision (2),	
10	the final action of the commission may be appealed by the	4
11	filing of a written remonstrance signed by:	
12	(A) at least sixty-five percent (65%) of the owners of the	•
13	total land in the territory designated in the resolution as a	
14	redevelopment project area and in any territory within	
15	three (3) miles of the territory designated in the resolution	
16	as a redevelopment project area; or	4
17	(B) the owners of more than seventy-five percent (75%) in	
18	assessed valuation of the total land in the territory	
19	designated in the resolution as a redevelopment project	
20	area and in any territory within three (3) miles of the	
21	territory designated in the resolution as a redevelopment	
22	project area.	
23	A remonstrance must be filed not later than thirty (30) days	
24	after the notice is published under subdivision (1). A	
25	remonstrance must be filed with the city-county legislative	
26	body	
27	(4) The following apply if an objection is filed under	_
28	subdivision (2) or a remonstrance is filed under subdivision	
29	(3):	
30	(A) The city-county legislative body receiving the objection	
31	or remonstrance must hold a public hearing concerning	
32	the final action of the commission. All interested parties	
33	must have the opportunity to testify at the public hearing.	
34	(B) The city-county legislative body may not hold the	
35	public hearing until at least sixty (60) days after the	
36	conclusion of the thirty (30) day period for filing objections	
37	and remonstrances.	
38	(C) The city-county legislative body shall publish notice of	
39	the final action in accordance with IC 5-3-1 and shall file	
40	a copy of the notice with each taxing unit described in	
41	section $8(c)(2)(B)(i)$ or $8(c)(2)(B)(ii)$ of this chapter.	
12	(D) The city-county legislative hody shall by resolution	



1	approve, modify and approve, or rescind the final action of
2	the commission that is the subject of the objection or
3	remonstrance. The city-county legislative body may
4	approve or modify and approve the final action of the
5	commission only if that final action is:
6	(i) of public utility and benefit; and
7	(ii) in the best interest of the taxing units described in
8	section $8(c)(2)(B)(i)$ or $8(c)(2)(B)(ii)$ of this chapter,
9	considered as a whole.
10	(E) The final action of the commission may take effect only
11	if the final action is approved or modified and approved by
12	the city-county legislative body under this section.
13	SECTION 22. IC 36-7-15.1-11 IS AMENDED TO READ AS
14	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) A person who
15	filed a written remonstrance with the commission under section 10
16	section 10.7(a)(3) of this chapter and is aggrieved by the final action
17	taken or a taxing unit that filed an objection under section
18	10.7(a)(2) of this chapter with the city-county legislative body may,
19	within ten (10) thirty (30) days after that the final action of the
20	city-county legislative body, file with the presiding judge of the
21	superior court a copy of the order of the commission and his the
22	person's remonstrance against that order, or taxing unit's objection
23	filed under section 10.7 of this chapter, together with his the
24	person's or taxing unit's bond, as provided by IC 34-13-5-7, in the
25	event the appeal is determined against him. the person or taxing unit.
26	The burden of proof is on the remonstrator, commission, and no
27	change of venue may be granted.
28	(b) An appeal under this section shall be promptly heard by the
29	court without a jury. All the judges of the court, or a majority of the
30	judges if not all are available, shall hear the appeal. All remonstrances
31	and objections upon which an appeal has been taken shall be
32	consolidated and heard and determined within thirty (30) days after the
33	time of the filing of the appeal. The court shall decide the appeal based
34	on the record and evidence before the commission, not by trial de novo.
35	It may, by a vote of at least a majority of all the elected judges, confirm
36	the final action of the commission or sustain the remonstrances. The
37	judgment of the court is final and conclusive, unless an appeal is taken
38	as in other civil actions. An appeal to the court of appeals or supreme
39	court has priority over all other civil appeals.

SECTION 23. IC 36-7-15.1-26, AS AMENDED BY P.L.154-2006,

SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2007]: Sec. 26. (a) As used in this section:



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1	"Allocation area" means that part of a redevelopment project area	
2	to which an allocation provision of a resolution adopted under section	
3	8 of this chapter refers for purposes of distribution and allocation of	
4	property taxes.	
5	"Base assessed value" means the following:	
6	(1) If an allocation provision is adopted after June 30, 1995, in a	
7	declaratory resolution or an amendment to a declaratory	
8	resolution establishing an economic development area:	
9	(A) the net assessed value of all the property as finally	
10	determined for the assessment date immediately preceding the	
11	effective date of the allocation provision of the declaratory	
12	resolution, as adjusted under subsection (h); plus	
13	(B) to the extent that it is not included in clause (A), the net	
14	assessed value of property that is assessed as residential	
15	property under the rules of the department of local government	
16	finance, as finally determined for any assessment date after the	
17	effective date of the allocation provision; plus	
18	(C) in the case of an allocation provision adopted after	
19	June 30, 2007, to the extent it is not included in clause (A)	
20	or (B), any net assessed value of property located in the	
21	allocation area:	
22	(i) that was not included in clause (A) because a	
23	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was	
24	allowed for the assessed value on the assessment date	
25	immediately preceding the effective date of the allocation	
26	provision; and	
27	(ii) for which a deduction under IC 6-1.1-12.1 or	
28	IC 6-1.1-12.4 was not allowed for the assessed value on	
29	the most recent assessment date.	
30	(2) If an allocation provision is adopted after June 30, 1997, in a	
31	declaratory resolution or an amendment to a declaratory	
32	resolution establishing a redevelopment project area:	
33	(A) the net assessed value of all the property as finally	
34	determined for the assessment date immediately preceding the	
35	effective date of the allocation provision of the declaratory	
36	resolution, as adjusted under subsection (h); plus	
37	(B) to the extent that it is not included in clause (A), the net	
38	assessed value of property that is assessed as residential	
39	property under the rules of the department of local government	
40	finance, as finally determined for any assessment date after the	
41	effective date of the allocation provision; plus	
42	(C) in the case of an allocation provision adopted after	



1	June 30, 2007, to the extent it is not included in clause (A)	
2	or (B), any net assessed value of property located in the	
3	allocation area:	
4	(i) that was not included in clause (A) because a	
5	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was	
6	allowed for the assessed value on the assessment date	
7	immediately preceding the effective date of the allocation	
8	provision; and	
9	(ii) for which a deduction under IC 6-1.1-12.1 or	
.0	IC 6-1.1-12.4 was not allowed for the assessed value on	
.1	the most recent assessment date.	
. 2	(3) If	
.3	(A) an allocation provision adopted before June 30, 1995, in	
4	a declaratory resolution or an amendment to a declaratory	
. 5	resolution establishing a redevelopment project area expires	
.6	after June 30, 1997, and	
7	(B) after June 30, 1997, a new allocation provision is included	
. 8	in an amendment to the declaratory resolution:	
9	(A) the net assessed value of all the property as finally	
20	determined for the assessment date immediately preceding the	
21	effective date of the allocation provision adopted after June 30,	
.2	1997, as adjusted under subsection (h); plus	
23	(B) in the case of an allocation provision adopted after	
24	June 30, 2007, to the extent it is not included in clause (A),	
25	any net assessed value of property located in the allocation	
26	area:	
27	(i) that was not included in clause (A) because a	
28	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was	V
29	allowed for the assessed value on the assessment date	
30	immediately preceding the effective date of the allocation	
31	provision; and	
32	(ii) for which a deduction under IC 6-1.1-12.1 or	
33	IC 6-1.1-12.4 was not allowed for the assessed value on	
34	the most recent assessment date.	
35	(4) Except as provided in subdivision (5), for all other allocation	
66	areas:	
37	(A) the net assessed value of all the property as finally	
8	determined for the assessment date immediately preceding the	
19	effective date of the allocation provision of the declaratory	
10	resolution, as adjusted under subsection (h); plus	
1	(B) in the case of an allocation provision adopted after	
12	June 30, 2007, to the extent it is not included in subdivision	



1	(1), any net assessed value of property located in the
2	allocation area:
3	(A) that was not included in subdivision (1) because a
4	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was
5	allowed for the assessed value on the assessment date
6	immediately preceding the effective date of the allocation
7	provision; and
8	(B) for which a deduction under IC 6-1.1-12.1 or
9	IC 6-1.1-12.4 was not allowed for the assessed value on
10	the most recent assessment date.
11	(5) If an allocation area established in an economic development
12	area before July 1, 1995, is expanded after June 30, 1995, the
13	definition in subdivision (1) applies to the expanded part of the
14	area added after June 30, 1995.
15	(6) If an allocation area established in a redevelopment project
16	area before July 1, 1997, is expanded after June 30, 1997, the
17	definition in subdivision (2) applies to the expanded part of the
18	area added after June 30, 1997.
19	Except as provided in section 26.2 of this chapter, "property taxes"
20	means taxes imposed under IC 6-1.1 on real property. However, upon
21	approval by a resolution of the redevelopment commission adopted
22	before June 1, 1987, "property taxes" also includes taxes imposed
23	under IC 6-1.1 on depreciable personal property. If a redevelopment
24	commission adopted before June 1, 1987, a resolution to include within
25	the definition of property taxes taxes imposed under IC 6-1.1 on
26	depreciable personal property that has a useful life in excess of eight
27	(8) years, the commission may by resolution determine the percentage
28	of taxes imposed under IC 6-1.1 on all depreciable personal property
29	that will be included within the definition of property taxes. However,
30	the percentage included must not exceed twenty-five percent (25%) of
31	the taxes imposed under IC 6-1.1 on all depreciable personal property.
32	(b) A resolution adopted under section 8 of this chapter on or before
33	the allocation deadline determined under subsection (i) may include a
34	provision with respect to the allocation and distribution of property
35	taxes for the purposes and in the manner provided in this section. A
36	resolution previously adopted may include an allocation provision by
37	the amendment of that resolution on or before the allocation deadline
38	determined under subsection (i) in accordance with the procedures
39	required for its original adoption. A declaratory resolution or an
40	amendment that establishes an allocation provision after June 30, 1995,
41	must specify an expiration date for the allocation provision that may

not be more than thirty (30) years after the date on which the allocation



1	provision is established. However, if bonds or other obligations that	
2	were scheduled when issued to mature before the specified expiration	
3	date and that are payable only from allocated tax proceeds with respect	
4	to the allocation area remain outstanding as of the expiration date, the	
5	allocation provision does not expire until all of the bonds or other	
6	obligations are no longer outstanding. The allocation provision may	
7	apply to all or part of the redevelopment project area. The allocation	
8	provision must require that any property taxes subsequently levied by	
9	or for the benefit of any public body entitled to a distribution of	
10	property taxes on taxable property in the allocation area be allocated	
11	and distributed as follows:	
12	(1) Except as otherwise provided in this section, the proceeds of	
13	the taxes attributable to the lesser of:	
14	(A) the assessed value of the property for the assessment date	
15	with respect to which the allocation and distribution is made;	
16	or	
17	(B) the base assessed value;	
18	shall be allocated to and, when collected, paid into the funds of	
19	the respective taxing units.	
20	(2) Except as otherwise provided in this section, property tax	
21	proceeds in excess of those described in subdivision (1) shall be	
22	allocated to the redevelopment district and, when collected, paid	
23	into a special fund for that allocation area that may be used by the	
24	redevelopment district only to do one (1) or more of the	
25	following:	
26	(A) Pay the principal of and interest on any obligations	
27	payable solely from allocated tax proceeds that are incurred by	
28	the redevelopment district for the purpose of financing or	
29	refinancing the redevelopment of that allocation area.	
30	(B) Establish, augment, or restore the debt service reserve for	
31	bonds payable solely or in part from allocated tax proceeds in	
32	that allocation area.	
33	(C) Pay the principal of and interest on bonds payable from	
34	allocated tax proceeds in that allocation area and from the	
35	special tax levied under section 19 of this chapter.	
36	(D) Pay the principal of and interest on bonds issued by the	
37	consolidated city to pay for local public improvements in that	
38	allocation area.	
39	(E) Pay premiums on the redemption before maturity of bonds	
40	payable solely or in part from allocated tax proceeds in that	
41	allocation area.	

(F) Make payments on leases payable from allocated tax



1	proceeds in that allocation area under section 17.1 of this	
2	chapter.	
3	(G) Reimburse the consolidated city for expenditures for local	
4	public improvements (which include buildings, parking	
5	facilities, and other items set forth in section 17 of this	
6	chapter) in that allocation area.	
7	(H) Reimburse the unit for rentals paid by it for a building or	
8	parking facility in that allocation area under any lease entered	
9	into under IC 36-1-10.	
10	(I) Reimburse public and private entities for expenses incurred	
11	in training employees of industrial facilities that are located:	
12	(i) in the allocation area; and	
13	(ii) on a parcel of real property that has been classified as	
14	industrial property under the rules of the department of local	
15	government finance.	_
16	However, the total amount of money spent for this purpose in	
17	any year may not exceed the total amount of money in the	
18	allocation fund that is attributable to property taxes paid by the	
19	industrial facilities described in this clause. The	
20	reimbursements under this clause must be made within three	
21	(3) years after the date on which the investments that are the	
22	basis for the increment financing are made.	
23	The special fund may not be used for operating expenses of the	
24	commission.	_
25	(3) Before July 15 of each year, the commission shall do the	
26	following:	
27	(A) Determine the amount, if any, by which the base assessed	
28	value when multiplied by the estimated tax rate of the	V
29	allocated area will exceed the amount of assessed value	
30	needed to provide the property taxes necessary to make, when	
31	due, principal and interest payments on bonds described in	
32	subdivision (2) plus the amount necessary for other purposes	
33	described in subdivision (2) and subsection (g).	
34	(B) Notify the county auditor of the amount, if any, of excess	
35	assessed value that the commission has determined may be	
36	allocated to the respective taxing units in the manner	
37	prescribed in subdivision (1).	
38	The commission may not authorize an allocation to the respective	
39	taxing units under this subdivision if to do so would endanger the	
40	interests of the holders of bonds described in subdivision (2).	
41	(c) For the purpose of allocating taxes levied by or for any taxing	
42	unit or units, the assessed value of taxable property in a territory in the	



allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

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- (d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).
- (e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.
- (f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:
 - (1) the assessed value of the property as valued without regard to this section; or
 - (2) the base assessed value.
- (g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:
 - (1) To pay for programs in job training, job enrichment, and basic











48 skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone. (2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following: (A) Businesses operating in the enterprise zone. (B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made. (3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. (h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the

follow to assist the department in making the adjustments. (i) The allocation deadline referred to in subsection (b) is determined in the following manner:

department of local government finance shall adjust the base assessed

value to neutralize any effect of the annual adjustment on the property

tax proceeds allocated to the redevelopment district under this section.

However, the adjustments under this subsection may not include the

effect of property tax abatements under IC 6-1.1-12.1, and these

adjustments may not produce less property tax proceeds allocable to

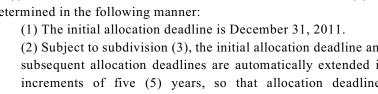
the redevelopment district under subsection (b)(2) than would

otherwise have been received if the general reassessment or annual

adjustment had not occurred. The department of local government

finance may prescribe procedures for county and township officials to

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31,





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1	2016, and December 31 of each fifth year thereafter.
2	(3) At least one (1) year before the date of an allocation deadline
3	determined under subdivision (2), the general assembly may enact
4	a law that:
5	(A) terminates the automatic extension of allocation deadlines
6	under subdivision (2); and
7	(B) specifically designates a particular date as the final
8	allocation deadline.
9	SECTION 24. IC 36-7-15.1-26.2 IS AMENDED TO READ AS
10	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 26.2. (a) As used in this
11	section, "depreciable personal property" refers to all of the designated
12	taxpayer's depreciable personal property that is located in the allocation
13	area.
14	(b) As used in this section, "designated taxpayer" means a taxpayer
15	designated by the commission in a declaratory resolution adopted or
16	amended under section 8 or 10.5 of this chapter, and with respect to
17	which the commission finds that:
18	(1) taxes to be derived from the taxpayer's depreciable personal
19	property in the allocation area, in excess of the taxes attributable
20	to the base assessed value of that personal property, are needed to
21	pay debt service for bonds issued under section 17 of this chapter
22	or to make payments on leases payable under section 17.1 of this
23	chapter in order to provide local public improvements for a
24	particular allocation area;
25	(2) the taxpayer's property in the allocation area will consist
26	primarily of industrial, manufacturing, warehousing, research and
27	development, processing, distribution, or transportation related
28	projects; and
29	(3) the taxpayer's property in the allocation area will not consist
30	primarily of retail, commercial, or residential projects.
31	(c) The allocation provision of a declaratory resolution may modify
32	the definition of "property taxes" under section 26(a) of this chapter to
33	include taxes imposed under IC 6-1.1 on the depreciable personal
34	property of designated taxpayers in accordance with the procedures and
35	limitations set forth in this section and section 26 of this chapter. If
36	such a modification is included in the resolution, for purposes of
37	section 26 of this chapter the term "base assessed value" with respect
38	to the depreciable personal property of designated taxpayers means the:
39	(1) net assessed value of the depreciable personal property as
40	finally determined for the assessment date immediately preceding:
41	(1) (A) the effective date of the modification, for modifications
42	adopted before July 1, 1995; and



1	(2) (B) the adoption date of the modification for modifications
2	adopted after June 30, 1995;
3	as adjusted under section 26(h) of this chapter; plus
4	(2) in the case of a modification adopted after June 30, 2007,
5	to the extent it is not included in subdivision (1), any net
6	assessed value of depreciable personal property:
7	(A) that was not included in subdivision (1) because a
8	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed
9	for the assessed value on the assessment date immediately
0	preceding the adoption date of the modification; and
. 1	(B) for which a deduction under IC 6-1.1-12.1 or
2	IC 6-1.1-12.4 was not allowed for the assessed value on the
3	most recent assessment date.
4	SECTION 25. IC 36-7-15.1-29 IS AMENDED TO READ AS
5	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 29. (a) The commission
6	may, by following the procedures set forth in sections 8, 9, and 10, and
7	10.7 of this chapter, approve a plan for and determine that a geographic
8	area in the redevelopment district is an economic development area.
9	Designation of an economic development area is subject to objection
20	or remonstrance under section 10.7 of this chapter and to judicial
2.1	review in the manner prescribed in section 11 of this chapter.
22	(b) The commission may determine that a geographic area is an
2.3	economic development area if it finds:
24	(1) the plan for the economic development area:
2.5	(A) promotes significant opportunities for the gainful
26	employment of its citizens;
27	(B) attracts a major new business enterprise to the unit;
28	(C) retains or expands a significant business enterprise
29	existing in the boundaries of the unit; or
0	(D) meets other purposes of this section and sections 28 and
1	30 of this chapter;
32	(2) the plan for the economic development area cannot be
3	achieved by regulatory processes or by the ordinary operation of
4	private enterprise without resort to the powers allowed under this
55	section and sections 28 and 30 of this chapter because of:
6	(A) lack of local public improvement;
7	(B) existence of improvements or conditions that lower the
8	value of the land below that of nearby land;
9	(C) multiple ownership of land; or
10	(D) other similar conditions;
1	(3) the public health and welfare will be benefited by
12	accomplishment of the plan for the economic development area;



1	(4) the accomplishment of the plan for the economic development
2	area will be:
3	(A) a public utility and benefit as measured by:
4	(A) (i) attraction or retention of permanent jobs;
5	(B) (ii) increase in the property tax base;
6	(C) (iii) improved diversity of the economic base; or
7	(D) (iv) other similar public benefits; and
8	(B) in the best interest of:
9	(i) the taxing units containing the economic development
10	area; and
11	(ii) the taxing units containing territory within three (3)
12	miles of the economic development area;
13	considered as a whole; and
14	(5) the plan for the economic development area conforms to the
15	comprehensive plan of development for the consolidated city.
16	(c) The determination that a geographic area is an economic
17	development area must be approved by the city-county legislative body
18	The approval may be given either before or after judicial review is
19	requested. and is subject to objection or remonstrance under 10.7
20	of this chapter. The requirement that the city-county legislative body
21	approve economic development areas does not prevent the commission
22	from amending the plan for the economic development area. However,
23	the enlargement of any boundary in the economic development area
24	must be approved by the city-county legislative body.
25	SECTION 26. IC 36-7-15.1-32 IS AMENDED TO READ AS
26	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 32. (a) The commission
27	must establish a program for housing. The program, which may include
28	such elements as the commission considers appropriate, must be
29	adopted as part of a redevelopment plan or amendment to a
30	redevelopment plan, and must establish an allocation area for purposes
31	of sections 26 and 35 of this chapter for the accomplishment of the
32	program.
33	(b) The notice and hearing provisions of sections 10, and 10.5, and
34	10.7 of this chapter apply to the resolution adopted under subsection
35	(a). Judicial Review of the resolution may be made under section 10.7
36	or 11 of this chapter.
37	(c) Before formal submission of any housing program to the
38	commission, the department shall consult with persons interested in or
39	affected by the proposed program and provide the affected
40	neighborhood associations, residents, and township assessors with an
41	adequate opportunity to participate in an advisory role in planning,

implementing, and evaluating the proposed program. The department



1	may hold public meetings in the affected neighborhood to obtain the	
2	views of neighborhood associations and residents.	
3	SECTION 27. IC 36-7-15.1-34 IS AMENDED TO READ AS	
4	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 34. The commission	
5	must make the following findings in the resolution adopting a housing	
6	program under section 32 of this chapter:	
7	(1) The program meets the purposes of section 31 of this chapter.	
8 9	(2) The program cannot be accomplished by regulatory processes or by the ordinary operation of private enterprise because of:	
.0	(A) lack of public improvements;	
1	(B) existence of improvements or conditions that lower the	
2	value of the land below that of nearby land; or	
3	(C) other similar conditions.	
4	(3) The public health and welfare will be benefited by	
5	accomplishment of the program.	
6	(4) The accomplishment of the program will be:	
7	(A) of public utility and benefit as measured by:	
8	(A) (i) provision of adequate housing for low and moderate	
9	income persons;	
20	(B) (ii) increase in the property tax base; or	
21	(C) (iii) other similar public benefits; and	
22	(B) in the best interest of:	
23	(i) the taxing units containing the allocation area; and	
24	(ii) the taxing units containing territory within three (3)	_
25	miles of the allocation area;	
26	considered as a whole.	
27	(5) At least one-third (1/3) of the parcels in the allocation area	
28	established by the program are vacant.	
29	(6) At least three-fourths (3/4) of the allocation area is used for	
50	residential purposes or is planned to be used for residential	
1	purposes.	
32 33	(7) At least one-third $(1/3)$ of the residential units in the allocation area were constructed before 1941.	
54	(8) At least one-third (1/3) of the parcels in the allocation area	
55	have one (1) or more of the following characteristics:	
66	(A) The dwelling unit on the parcel is not permanently	
57	occupied.	
8	(B) The parcel is the subject of a governmental order, issued	
9	under a statute or ordinance, requiring the correction of a	
10	housing code violation or unsafe building condition.	
1	(C) Two (2) or more property tax payments on the parcel are	
12	delinguent	



1	(D) The parcel is owned by local, state, or federal government.
2	SECTION 28. IC 36-7-15.1-40, AS AMENDED BY P.L.185-2005,
3	SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4	JULY 1, 2007]: Sec. 40. (a) A commission shall establish a
5	redevelopment project area by following the procedures set forth in
6	sections 8 through 10 of this chapter. The establishment of a
7	redevelopment project area under this subsection must also be
8	approved by resolution of the legislative body of the excluded city.
9	(b) A commission may amend a resolution or plan for a
10	redevelopment project area or economic development area by
11	following the procedures of section 10.5 of this chapter. An
12	amendment made under this subsection must also be approved by
13	resolution of the legislative body of the excluded city.
14	(c) A person who filed a written remonstrance with the commission
15	under subsection (a) and is aggrieved by the final action taken or a
16	taxing unit that filed an objection may seek appeal of the action by
17	following the procedures for appeal set forth in section 11 sections
18	10.7 and 11 of this chapter. The appeal hearing is governed by the
19	procedures of section 11(b) sections 10.7 and 11 of this chapter.
20	SECTION 29. IC 36-7-15.1-53, AS AMENDED BY P.L.154-2006,
21	SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22	JULY 1, 2007]: Sec. 53. (a) As used in this section:
23	"Allocation area" means that part of a redevelopment project area
24	to which an allocation provision of a resolution adopted under section
25	40 of this chapter refers for purposes of distribution and allocation of
26	property taxes.
27	"Base assessed value" means:
28	(1) the net assessed value of all the property as finally determined
29	for the assessment date immediately preceding the effective date
30	of the allocation provision of the declaratory resolution, as
31	adjusted under subsection (h); plus
32	(2) to the extent that it is not included in subdivision (1), the net
33	assessed value of property that is assessed as residential property
34	under the rules of the department of local government finance, as
35	finally determined for any assessment date after the effective date
36	of the allocation provision; plus
37	(3) in the case of an allocation provision adopted after June
38	30, 2007, to the extent it is not included in subdivision (1) or
39	(2), any net assessed value of property located in the
40	allocation area:
41	(A) that was not included in subdivision (1) because a
42	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed



for the assessed value on the assessment date immediately preceding the effective date of the allocation provision; and (B) for which a deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was not allowed for the assessed value on the most recent assessment date.

Except as provided in section 55 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property.

- (b) A resolution adopted under section 40 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision must be approved by resolution of the legislative body of the excluded city and must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:
 - (1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
 - (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
 - (B) the base assessed value; all be allocated to and, when collected, paid into the form
 - shall be allocated to and, when collected, paid into the funds of the respective taxing units.
 - (2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the



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1	redevelopment district only to do one (1) or more of the	
2	following:	
3	(A) Pay the principal of and interest on any obligations	
4	payable solely from allocated tax proceeds that are incurred by	
5	the redevelopment district for the purpose of financing or	
6	refinancing the redevelopment of that allocation area.	
7	(B) Establish, augment, or restore the debt service reserve for	
8	bonds payable solely or in part from allocated tax proceeds in	
9	that allocation area.	
10	(C) Pay the principal of and interest on bonds payable from	
11	allocated tax proceeds in that allocation area and from the	
12	special tax levied under section 50 of this chapter.	
13	(D) Pay the principal of and interest on bonds issued by the	
14	excluded city to pay for local public improvements in that	
15	allocation area.	_
16	(E) Pay premiums on the redemption before maturity of bonds	
17	payable solely or in part from allocated tax proceeds in that	
18	allocation area.	
19	(F) Make payments on leases payable from allocated tax	
20	proceeds in that allocation area under section 46 of this	
21	chapter.	
22	(G) Reimburse the excluded city for expenditures for local	
23	public improvements (which include buildings, park facilities,	
24	and other items set forth in section 45 of this chapter) in that	_
25	allocation area.	
26	(H) Reimburse the unit for rentals paid by it for a building or	
27	parking facility in that allocation area under any lease entered	
28	into under IC 36-1-10.	
29	(I) Reimburse public and private entities for expenses incurred	
30	in training employees of industrial facilities that are located:	
31	(i) in the allocation area; and	
32	(ii) on a parcel of real property that has been classified as	
33	industrial property under the rules of the department of local	
34	government finance.	
35	However, the total amount of money spent for this purpose in	
36	any year may not exceed the total amount of money in the	
37	allocation fund that is attributable to property taxes paid by the	
38	industrial facilities described in this clause. The	
39	reimbursements under this clause must be made within three	
40	(3) years after the date on which the investments that are the	
41	basis for the increment financing are made.	
42	The special fund may not be used for operating expenses of the	



1	commission.
2	(3) Before July 15 of each year, the commission shall do the
3	following:
4	(A) Determine the amount, if any, by which property taxes
5	payable to the allocation fund in the following year will exceed
6	the amount of assessed value needed to provide the property
7	taxes necessary to make, when due, principal and interest
8	payments on bonds described in subdivision (2) plus the
9	amount necessary for other purposes described in subdivision
10	(2) and subsection (g).
11	(B) Notify the county auditor of the amount, if any, of excess
12	assessed value that the commission has determined may be
13	allocated to the respective taxing units in the manner
14	prescribed in subdivision (1).
15	The commission may not authorize an allocation to the respective
16	taxing units under this subdivision if to do so would endanger the
17	interests of the holders of bonds described in subdivision (2).
18	(c) For the purpose of allocating taxes levied by or for any taxing
19	unit or units, the assessed value of taxable property in a territory in the
20	allocation area that is annexed by any taxing unit after the effective
21	date of the allocation provision of the resolution is the lesser of:
22	(1) the assessed value of the property for the assessment date with
23	respect to which the allocation and distribution is made; or
24	(2) the base assessed value.
25	(d) Property tax proceeds allocable to the redevelopment district
26	under subsection (b)(2) may, subject to subsection (b)(3), be
27	irrevocably pledged by the redevelopment district for payment as set
28	forth in subsection $(b)(2)$.
29	(e) Notwithstanding any other law, each assessor shall, upon
30	petition of the commission, reassess the taxable property situated upon
31	or in, or added to, the allocation area, effective on the next assessment
32	date after the petition.
33	(f) Notwithstanding any other law, the assessed value of all taxable
34	property in the allocation area, for purposes of tax limitation, property
35	tax replacement, and formulation of the budget, tax rate, and tax levy
36	for each political subdivision in which the property is located, is the
37	lesser of:
38	(1) the assessed value of the property as valued without regard to
39	this section; or
40	(2) the base assessed value.
41	(g) If any part of the allocation area is located in an enterprise zone
42	created under IC 5-28-15, the unit that designated the allocation area



shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

- (1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.
- (2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:
 - (A) Businesses operating in the enterprise zone.
 - (B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.
- (3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers, for purposes of payments from the special zone fund, only to that part of the allocation area that is also located in the enterprise zone.
- (h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this









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1	section. After each annual adjustment under IC 6-1.1-4-4.5, the
2	department of local government finance shall adjust the base assessed
3	value to neutralize any effect of the annual adjustment on the property
4	tax proceeds allocated to the redevelopment district under this section.
5	However, the adjustments under this subsection may not include the
6	effect of property tax abatements under IC 6-1.1-12.1, and these
7	adjustments may not produce less property tax proceeds allocable to
8	the redevelopment district under subsection (b)(2) than would
9	otherwise have been received if the general reassessment or annual
10	adjustment had not occurred. The department of local government
11	finance may prescribe procedures for county and township officials to
12	follow to assist the department in making the adjustments.
13	(i) The allocation deadline referred to in subsection (b) is
14	determined in the following manner:
15	(1) The initial allocation deadline is December 31, 2011.
16	(2) Subject to subdivision (3), the initial allocation deadline and
17	subsequent allocation deadlines are automatically extended in
18	increments of five (5) years, so that allocation deadlines
19	subsequent to the initial allocation deadline fall on December 31,
20	2016, and December 31 of each fifth year thereafter.

- (3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact
 - (A) terminates the automatic extension of allocation deadlines under subdivision (2); and
 - (B) specifically designates a particular date as the final allocation deadline.

SECTION 30. IC 36-7-15.1-55 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 55. (a) As used in this section, "depreciable personal property" refers to all of the designated taxpayer's depreciable personal property that is located in the allocation area.

- (b) As used in this section "designated taxpayer" means a taxpayer designated by the commission in a declaratory resolution adopted or amended under section 40(a) or 40(b) of this chapter, and with respect to which the commission finds that:
 - (1) taxes to be derived from the taxpayer's depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are needed to pay debt service for bonds issued under section 45 of this chapter to make payments on leases payable under section 46 of this chapter in order to provide local public improvements for a











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1	particular allocation area;
2	(2) the taxpayer's property in the allocation area will consist
3	primarily of industrial, manufacturing, warehousing, research and
4	development, processing, distribution, or transportation related
5	projects; and
6	(3) the taxpayer's property in the allocation area will not consist
7	primarily of retail, commercial, or residential projects.
8	(c) The allocation provision of a declaratory resolution may modify
9	the definition of "property taxes" under section 53(a) of this chapter to
10	include taxes imposed under IC 6-1.1 on the depreciable personal
11	property of designated taxpayers in accordance with the procedures and
12	limitations set forth in this section and section 53 of this chapter. If
13	such a modification is included in the resolution, for purposes of
14	section 53 of this chapter, the term "base assessed value" with respect
15	to the depreciable personal property of designated taxpayers means:
16	(1) the net assessed value of the depreciable personal property as
17	finally determined for the assessment date immediately preceding
18	the adoption date of the modification as adjusted under section
19	53(h) of this chapter; plus
20	(2) in the case of a modification adopted after June 30, 2007,
21	to the extent it is not included in subdivision (1), any net
22	assessed value of depreciable personal property:
23	(A) that was not included in subdivision (1) because a
24	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed
25	for the assessed value on the assessment date immediately
26	preceding the adoption date of the modification; and
27	(B) for which a deduction under IC 6-1.1-12.1 or
28	IC 6-1.1-12.4 was not allowed for the assessed value on the
29	most recent assessment date.
30	SECTION 31. IC 36-7-15.1-57 IS AMENDED TO READ AS
31	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 57. (a) The commission
32	may, by following the procedures set forth in sections 8, 9, and 10 of
33	this chapter, approve a plan for and determine that a geographic area
34	in the redevelopment district is an economic development area.
35	Designation of an economic development area is subject to judicial
36	review in the manner prescribed in section 11 of this chapter.
37	(b) The commission may determine that a geographic area is an
38	economic development area if it finds that:
39	(1) the plan for the economic development area:
40	(A) promotes significant opportunities for the gainful
41	employment of its citizens;
42	(R) attracts a major new husiness enterprise to the unit



1	(C) retains or expands a significant business enterprise	
2	existing in the boundaries of the unit; or	
3	(D) meets other purposes of this section and sections 28 and	
4	58 of this chapter;	
5	(2) the plan for the economic development area cannot be	
6	achieved by regulatory processes or by the ordinary operation of	
7	private enterprise without resort to the powers allowed under this	
8	section and sections 28 and 58 of this chapter because of:	
9	(A) lack of local public improvement;	
10	(B) existence of improvements or conditions that lower the	
11	value of the land below that of nearby land;	
12	(C) multiple ownership of land; or	
13	(D) other similar conditions;	
14	(3) the public health and welfare will be benefited by	
15	accomplishment of the plan for the economic development area;	
16	(4) the accomplishment of the plan for the economic development	
17	area will be:	
18	(A) of public utility and benefit as measured by:	
19	(A) (i) attraction or retention of permanent jobs;	
20	(B) (ii) increase in the property tax base;	
21	(C) (iii) improved diversity of the economic base; or	
22	(D) (iv) other similar public benefits; and	
23	(B) in the best interest of:	
24	(i) the taxing units containing the allocation area; and	
25	(ii) the taxing units containing territory within three (3)	
26	miles of the allocation area;	
27	considered as a whole; and	
28	(5) the plan for the economic development area conforms to the	
29	comprehensive plan of development for the county. consolidated	
30	city; and	
31	(6) if the geographic area of the economic development area	
32	is more than one hundred (100) acres, the plan for the	
33	economic development area includes a commitment or plan	
34	for the provision of water, sewage, and other utility services	
35	to the economic development area within three (3) years after	
36	the effective date of the determination by the commission.	
37	(c) The determination that a geographic area is an economic	
38	development area must be approved by the excluded city legislative	
39	body. The approval may be given either before or after judicial review	
40	is requested. The requirement that the excluded city legislative body	
41	approve economic development areas does not prevent the commission	
12	from amending the plan for the economic development area. However,	



1	the enlargement of any boundary in the economic development area	
2	must be approved by the excluded city legislative body.	
3	SECTION 32. IC 36-7-30-25, AS AMENDED BY P.L.154-2006,	
4	SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE	
5	JULY 1, 2007]: Sec. 25. (a) The following definitions apply throughout	
6	this section:	
7	(1) "Allocation area" means that part of a military base reuse area	
8	to which an allocation provision of a declaratory resolution	
9	adopted under section 10 of this chapter refers for purposes of	
10	distribution and allocation of property taxes.	
11	(2) "Base assessed value" means:	
12	(A) the net assessed value of all the property as finally	
13	determined for the assessment date immediately preceding the	
14	adoption date of the allocation provision of the declaratory	
15	resolution, as adjusted under subsection (h); plus	_
16	(B) to the extent that it is not included in clause (A) or (C), the	
17	net assessed value of any and all parcels or classes of parcels	•
18	identified as part of the base assessed value in the declaratory	
19	resolution or an amendment thereto, as finally determined for	
20	any subsequent assessment date; plus	
21	(C) to the extent that it is not included in clause (A) or (B), the	
22	net assessed value of property that is assessed as residential	
23	property under the rules of the department of local government	
24	finance, as finally determined for any assessment date after the	
25	effective date of the allocation provision; plus	
26	(D) in the case of an allocation provision adopted after	
27	June 30, 2007, to the extent it is not included in clause (A),	
28	(B), or (C), any net assessed value of property located in	N.
29	the allocation area:	
30	(i) that was not included in clause (A) because a	
31	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was	
32	allowed for the assessed value on the assessment date	
33	immediately preceding the effective date of the allocation	
34	provision; and	
35	(ii) for which a deduction under IC 6-1.1-12.1 or	
36	IC 6-1.1-12.4 was not allowed for the assessed value on	
37	the most recent assessment date.	
38	Clause (C) applies only to allocation areas established in a	
39	military reuse area after June 30, 1997, and to the part of an	
40	allocation area that was established before June 30, 1997, and that	
41	is added to an existing allocation area after June 30, 1997.	
42	(3) "Property taxes" means taxes imposed under IC 6-1.1 on real	



1	property	
2	property. (b) A declaratory resolution adopted under section 10 of this chapter	
3	before the date set forth in IC 36-7-14-39(b) pertaining to declaratory	
4	resolutions adopted under IC 36-7-14-15 may include a provision with	
5	respect to the allocation and distribution of property taxes for the	
6	purposes and in the manner provided in this section. A declaratory	
7	resolution previously adopted may include an allocation provision by	
8		
9	the amendment of that declaratory resolution in accordance with the	
	procedures set forth in section 13 of this chapter. The allocation provision may apply to all or part of the military base reuse area. The	4
10		
11	allocation provision must require that any property taxes subsequently	
12	levied by or for the benefit of any public body entitled to a distribution	
13	of property taxes on taxable property in the allocation area be allocated	
14	and distributed as follows:	
15	(1) Except as otherwise provided in this section, the proceeds of	
16	the taxes attributable to the lesser of:	
17	(A) the assessed value of the property for the assessment date	
18	with respect to which the allocation and distribution is made;	
19	or	
20	(B) the base assessed value;	
21	shall be allocated to and, when collected, paid into the funds of	
22	the respective taxing units.	
23	(2) Except as otherwise provided in this section, property tax	
24	proceeds in excess of those described in subdivision (1) shall be	
25	allocated to the military base reuse district and, when collected,	
26	paid into an allocation fund for that allocation area that may be	_
27	used by the military base reuse district and only to do one (1) or	
28	more of the following:	1
29	(A) Pay the principal of and interest and redemption premium	
30	on any obligations incurred by the military base reuse district	
31	or any other entity for the purpose of financing or refinancing	
32	military base reuse activities in or directly serving or	
33	benefiting that allocation area.	
34	(B) Establish, augment, or restore the debt service reserve for	
35	bonds payable solely or in part from allocated tax proceeds in	
36	that allocation area or from other revenues of the reuse	
37	authority, including lease rental revenues.	
38	(C) Make payments on leases payable solely or in part from	
39	allocated tax proceeds in that allocation area.	
40	(D) Reimburse any other governmental body for expenditures	
41	made for local public improvements (or structures) in or	

directly serving or benefiting that allocation area.



1	(E) Pay all or a part of a property tax replacement credit to	
2	taxpayers in an allocation area as determined by the reuse	
3	authority. This credit equals the amount determined under the	
4	following STEPS for each taxpayer in a taxing district (as	
5	defined in IC 6-1.1-1-20) that contains all or part of the	
6	allocation area:	
7	STEP ONE: Determine that part of the sum of the amounts	
8	under IC $6-1.1-21-2(g)(1)(A)$, IC $6-1.1-21-2(g)(2)$,	
9	IC $6-1.1-21-2(g)(3)$, IC $6-1.1-21-2(g)(4)$, and	
10	IC $6-1.1-21-2(g)(5)$ that is attributable to the taxing district.	1
11	STEP TWO: Divide:	
12	(i) that part of each county's eligible property tax	,
13	replacement amount (as defined in IC 6-1.1-21-2) for that	
14	year as determined under IC 6-1.1-21-4 that is attributable	
15	to the taxing district; by	
16	(ii) the STEP ONE sum.	4
17	STEP THREE: Multiply:	
18	(i) the STEP TWO quotient; times	
19	(ii) the total amount of the taxpayer's taxes (as defined in	
20	IC 6-1.1-21-2) levied in the taxing district that have been	
21	allocated during that year to an allocation fund under this	
22	section.	
23	If not all the taxpayers in an allocation area receive the credit	
24	in full, each taxpayer in the allocation area is entitled to	•
25	receive the same proportion of the credit. A taxpayer may not	
26	receive a credit under this section and a credit under section	
27	27 of this chapter in the same year.	1
28	(F) Pay expenses incurred by the reuse authority for local	,
29	public improvements or structures that were in the allocation	
30	area or directly serving or benefiting the allocation area.	
31	(G) Reimburse public and private entities for expenses	
32	incurred in training employees of industrial facilities that are	
33	located:	
34	(i) in the allocation area; and	
35	(ii) on a parcel of real property that has been classified as	
36	industrial property under the rules of the department of local	
37	government finance.	
38	However, the total amount of money spent for this purpose in	
39	any year may not exceed the total amount of money in the	
40	allocation fund that is attributable to property taxes paid by the	
41	industrial facilities described in this clause. The	
42	reimbursements under this clause must be made not more than	



1	three (3) years after the date on which the investments that are
2	the basis for the increment financing are made.
3	The allocation fund may not be used for operating expenses of the
4	reuse authority.
5	(3) Except as provided in subsection (g), before July 15 of each
6	year the reuse authority shall do the following:
7	(A) Determine the amount, if any, by which property taxes
8	payable to the allocation fund in the following year will exceed
9	the amount of property taxes necessary to make, when due,
10	principal and interest payments on bonds described in
11	subdivision (2) plus the amount necessary for other purposes
12	described in subdivision (2).
13	(B) Notify the county auditor of the amount, if any, of the
14	amount of excess property taxes that the reuse authority has
15	determined may be paid to the respective taxing units in the
16	manner prescribed in subdivision (1). The reuse authority may
17	not authorize a payment to the respective taxing units under
18	this subdivision if to do so would endanger the interest of the
19	holders of bonds described in subdivision (2) or lessors under
20	section 19 of this chapter. Property taxes received by a taxing
21	unit under this subdivision are eligible for the property tax
22	replacement credit provided under IC 6-1.1-21.
23	(c) For the purpose of allocating taxes levied by or for any taxing
24	unit or units, the assessed value of taxable property in a territory in the
25	allocation area that is annexed by a taxing unit after the effective date
26	of the allocation provision of the declaratory resolution is the lesser of:
27	(1) the assessed value of the property for the assessment date with
28	respect to which the allocation and distribution is made; or
29	(2) the base assessed value.
30	(d) Property tax proceeds allocable to the military base reuse district
31	under subsection (b)(2) may, subject to subsection (b)(3), be
32	irrevocably pledged by the military base reuse district for payment as
33	set forth in subsection $(b)(2)$.
34	(e) Notwithstanding any other law, each assessor shall, upon
35	petition of the reuse authority, reassess the taxable property situated
36	upon or in or added to the allocation area, effective on the next
37	assessment date after the petition.
38	(f) Notwithstanding any other law, the assessed value of all taxable
39	property in the allocation area, for purposes of tax limitation, property
40	tax replacement, and the making of the budget, tax rate, and tax levy
41	for each political subdivision in which the property is located is the



lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

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- (g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) that are derived from property in the enterprise zone in the fund. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.
- (h) After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the military base reuse district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base reuse district under this section. However, the adjustments under this subsection may not



include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base reuse district under subsection (b)(2) than would otherwise have been received if the general reassessment or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 33. IC 36-7-30-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 26. (a) As used in this section, "depreciable personal property" refers to:

- (1) all or any part of the designated taxpayer's depreciable personal property that is located in the allocation area; and
- (2) all or any part of the other depreciable property located and taxable on the designated taxpayer's site of operations within the allocation area;

and that is designated as depreciable personal property for purposes of this section by the reuse authority in a declaratory resolution adopted or amended under section 10 or 13 of this chapter.

- (b) As used in this section, "designated taxpayer" means a taxpayer designated by the reuse authority in a declaratory resolution adopted or amended under section 10 or 13 of this chapter, and with respect to which the reuse authority finds that taxes to be derived from the depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of the personal property, are needed to pay debt service or provide security for bonds issued or to be issued under section 18 of this chapter or make payments or provide security on leases payable or to be payable under section 19 of this chapter in order to provide local public improvements or structures for a particular allocation area.
- (c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 25(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of the designated taxpayers in accordance with the procedures and limitations set forth in this section and section 25 of this chapter. If such a modification is included in the resolution, for purposes of section 25 of this chapter, the term "base assessed value" with respect to the depreciable personal property means:
 - (1) the net assessed value of all the depreciable personal property as finally determined for the assessment date immediately preceding the adoption date of the modification, as adjusted under section 25(b) of this chapter; **plus**

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1	(2) in the case of a modification adopted after June 30, 2007,
2	to the extent it is not included in subdivision (1), any net
3	assessed value of depreciable personal property:
4	(A) that was not included in subdivision (1) because a
5	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was allowed
6	for the assessed value on the assessment date immediately
7	preceding the adoption date of the modification; and
8	(B) for which a deduction under IC 6-1.1-12.1 or
9	IC 6-1.1-12.4 was not allowed for the assessed value on the
10	most recent assessment date.
11	SECTION 34. IC 36-7-30.5-30, AS AMENDED BY P.L.154-2006,
12	SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13	JULY 1, 2007]: Sec. 30. (a) The following definitions apply throughout
14	this section:
15	(1) "Allocation area" means that part of a military base
16	development area to which an allocation provision of a
17	declaratory resolution adopted under section 16 of this chapter
18	refers for purposes of distribution and allocation of property taxes.
19	(2) "Base assessed value" means:
20	(A) the net assessed value of all the property as finally
21	determined for the assessment date immediately preceding the
22	adoption date of the allocation provision of the declaratory
23	resolution, as adjusted under subsection (h); plus
24	(B) to the extent that it is not included in clause (A) or (C), the
25	net assessed value of any and all parcels or classes of parcels
26	identified as part of the base assessed value in the declaratory
27	resolution or an amendment to the declaratory resolution, as
28	finally determined for any subsequent assessment date; plus
29	(C) to the extent that it is not included in clause (A) or (B), the
30	net assessed value of property that is assessed as residential
31	property under the rules of the department of local government
32	finance, as finally determined for any assessment date after the
33	effective date of the allocation provision; plus
34	(D) in the case of an allocation provision adopted after
35	June 30, 2007, to the extent it is not included in clause (A),
36	(B), or (C), any net assessed value of property located in
37	the allocation area:
38	(i) that was not included in clause (A) because a
39	deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was
10	allowed for the assessed value on the assessment date
11	immediately preceding the effective date of the allocation
12	provision; and



1	(ii) for which a deduction under IC 6-1.1-12.1 or	
2	IC 6-1.1-12.4 was not allowed for the assessed value on	
3	the most recent assessment date.	
4	(3) "Property taxes" means taxes imposed under IC 6-1.1 on real	
5	property.	
6	(b) A declaratory resolution adopted under section 16 of this chapter	
7	before the date set forth in IC 36-7-14-39(b) pertaining to declaratory	
8	resolutions adopted under IC 36-7-14-15 may include a provision with	
9	respect to the allocation and distribution of property taxes for the	4
10	purposes and in the manner provided in this section. A declaratory	
11	resolution previously adopted may include an allocation provision by	
12	the amendment of that declaratory resolution in accordance with the	
13	procedures set forth in section 18 of this chapter. The allocation	
14	provision may apply to all or part of the military base development	
15	area. The allocation provision must require that any property taxes	-
16	subsequently levied by or for the benefit of any public body entitled to	
17	a distribution of property taxes on taxable property in the allocation	
18	area be allocated and distributed as follows:	
19	(1) Except as otherwise provided in this section, the proceeds of	
20	the taxes attributable to the lesser of:	
21	(A) the assessed value of the property for the assessment date	
22	with respect to which the allocation and distribution is made;	
23	or	
24	(B) the base assessed value;	
25	shall be allocated to and, when collected, paid into the funds of	
26	the respective taxing units.	_
27	(2) Except as otherwise provided in this section, property tax	
28	proceeds in excess of those described in subdivision (1) shall be	
29	allocated to the development authority and, when collected, paid	
30	into an allocation fund for that allocation area that may be used by	
31	the development authority and only to do one (1) or more of the	
32	following:	
33	(A) Pay the principal of and interest and redemption premium	
34	on any obligations incurred by the development authority or	
35	any other entity for the purpose of financing or refinancing	
36	military base development or reuse activities in or directly	
37	serving or benefitting that allocation area.	
38	(B) Establish, augment, or restore the debt service reserve for	
39	bonds payable solely or in part from allocated tax proceeds in	
40	that allocation area or from other revenues of the development	
41	authority, including lease rental revenues.	
42	(C) Make payments on leases payable solely or in part from	



1	allocated tax proceeds in that allocation area.	
2	(D) Reimburse any other governmental body for expenditures	
3	made for local public improvements (or structures) in or	
4	directly serving or benefitting that allocation area.	
5	(E) Pay all or a part of a property tax replacement credit to	
6	taxpayers in an allocation area as determined by the	
7	development authority. This credit equals the amount	
8	determined under the following STEPS for each taxpayer in a	
9	taxing district (as defined in IC 6-1.1-1-20) that contains all or	_
0	part of the allocation area:	
.1	STEP ONE: Determine that part of the sum of the amounts	
2	under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),	
.3	IC $6-1.1-21-2(g)(3)$, IC $6-1.1-21-2(g)(4)$, and	
.4	IC $6-1.1-21-2(g)(5)$ that is attributable to the taxing district.	
.5	STEP TWO: Divide:	_
.6	(i) that part of each county's eligible property tax	
.7	replacement amount (as defined in IC 6-1.1-21-2) for that	U
. 8	year as determined under IC 6-1.1-21-4 that is attributable	
.9	to the taxing district; by	
20	(ii) the STEP ONE sum.	
21	STEP THREE: Multiply:	
22	(i) the STEP TWO quotient; by	
23	(ii) the total amount of the taxpayer's taxes (as defined in	
24	IC 6-1.1-21-2) levied in the taxing district that have been	_
2.5	allocated during that year to an allocation fund under this	
26	section.	
27	If not all the taxpayers in an allocation area receive the credit	
28	in full, each taxpayer in the allocation area is entitled to	Y
.9	receive the same proportion of the credit. A taxpayer may not	
30	receive a credit under this section and a credit under section	
51	32 of this chapter in the same year.	
52	(F) Pay expenses incurred by the development authority for	
33	local public improvements or structures that were in the	
34	allocation area or directly serving or benefitting the allocation	
35	area.	
66	(G) Reimburse public and private entities for expenses	
37	incurred in training employees of industrial facilities that are	
88	located:	
19	(i) in the allocation area; and	
10	(ii) on a parcel of real property that has been classified as	
1	industrial property under the rules of the department of local	
12	government finance.	



1	However, the total amount of money spent for this purpose in
2	any year may not exceed the total amount of money in the
3	allocation fund that is attributable to property taxes paid by the
4	industrial facilities described in this clause. The
5	reimbursements under this clause must be made not more than
6	three (3) years after the date on which the investments that are
7	the basis for the increment financing are made.
8	The allocation fund may not be used for operating expenses of the
9	development authority.
10	(3) Except as provided in subsection (g), before July 15 of each
11	year the development authority shall do the following:
12	(A) Determine the amount, if any, by which property taxes
13	payable to the allocation fund in the following year will exceed
14	the amount of property taxes necessary to make, when due,
15	principal and interest payments on bonds described in
16	subdivision (2) plus the amount necessary for other purposes
17	described in subdivision (2).
18	(B) Notify the appropriate county auditor of the amount, if any,
19	of the amount of excess property taxes that the development
20	authority has determined may be paid to the respective taxing
21	units in the manner prescribed in subdivision (1). The
22	development authority may not authorize a payment to the
23	respective taxing units under this subdivision if to do so would
24	endanger the interest of the holders of bonds described in
25	subdivision (2) or lessors under section 24 of this chapter.
26	Property taxes received by a taxing unit under this subdivision
27	are eligible for the property tax replacement credit provided
28	under IC 6-1.1-21.
29	(c) For the purpose of allocating taxes levied by or for any taxing
30	unit or units, the assessed value of taxable property in a territory in the
31	allocation area that is annexed by a taxing unit after the effective date
32	of the allocation provision of the declaratory resolution is the lesser of:
33	(1) the assessed value of the property for the assessment date with
34	respect to which the allocation and distribution is made; or
35	(2) the base assessed value.
36	(d) Property tax proceeds allocable to the military base development
37	district under subsection (b)(2) may, subject to subsection (b)(3), be
38	irrevocably pledged by the military base development district for
39	payment as set forth in subsection (b)(2).
40	(e) Notwithstanding any other law, each assessor shall, upon

petition of the development authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next



assessment date after the petition.

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- (f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:
 - (1) the assessed value of the property as valued without regard to this section; or
 - (2) the base assessed value.
- (g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the development authority shall create funds as specified in this subsection. A development authority that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. The development authority shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A development authority that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) that are derived from property in the enterprise zone in the fund. The development authority that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or for other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to an allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.
- (h) After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed











value one (1) time to neutralize any effect of the general reassessment
on the property tax proceeds allocated to the military base development
district under this section. After each annual adjustment under
IC 6-1.1-4-4.5, the department of local government finance shall adjust
the base assessed value to neutralize any effect of the annual
adjustment on the property tax proceeds allocated to the military base
development district under this section. However, the adjustments
under this subsection may not include the effect of property tax
abatements under IC 6-1.1-12.1, and these adjustments may not
produce less property tax proceeds allocable to the military base
development district under subsection (b)(2) than would otherwise
have been received if the general reassessment or annual adjustment
had not occurred. The department of local government finance may
prescribe procedures for county and township officials to follow to
assist the department in making the adjustments.
SECTION 35. IC 36-7-32-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. As used in this
chapter, "base assessed value" means:
(1) the net assessed value of all the taxable property located in a
certified technology park as finally determined for the assessment
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- (1) the net assessed value of all the taxable property located in a certified technology park as finally determined for the assessment date immediately preceding the effective date of the allocation provision of a resolution adopted under section 15 of this chapter; plus
- (2) to the extent it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision; **plus**
- (3) in the case of an allocation provision adopted after June 30, 2007, to the extent it is not included in subdivision (1) or (2), any net assessed value of taxable property located in the allocation area:
 - (A) that was not included in subdivision (1) because a deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 for the assessed value was allowed on the assessment date immediately preceding the effective date of the allocation provision; and
 - (B) for which a deduction under IC 6-1.1-12.1 or IC 6-1.1-12.4 was not allowed for the assessed value on the most recent assessment date.

